

JOURNAL
of the
**HOUSE OF
REPRESENTATIVES**
of the
General Assembly
of the
Commonwealth of Kentucky
2004 First Extraordinary Session

**Held in the State Capitol in the City of Frankfort,
at Frankfort, in the Year of Our Lord 2004,
and in the Two Hundred and Twelfth
Year of the Commonwealth**

**Begun on Tuesday, the Fifth Day of October, 2004, and Adjourned Sine
Die on Tuesday, the Nineteenth Day of October, 2004**

Paid for from state funds

FOREWORD

The Kentucky Constitution requires each chamber of the General Assembly to keep a journal as a public accounting of daily legislative activity. The journal is the official record of action.

The Kentucky Revised Statutes require the Legislative Research Commission to compile, edit, correct, and publish the journals of each chamber. This is the House Journal for the First Extraordinary Session of the 2004 General Assembly.

Texts of bills, joint resolutions, and concurrent resolutions appear in the journal on the day of their first reading. Texts of simple resolutions appear on the day of either their first reading or adoption. Texts of committee amendments appear when they are reported out of committee and floor amendments are inserted at the end of the day on which they were filed. The appendices include a table of actions on bills and resolutions, a list of elected representatives, roll call votes, and a sponsor and subject index.

JoAnn Paulin, Marlene Rutherford, and Shelly Purvis prepared the *House Journal* for the 2004 First Extraordinary Session. The edited copy and appendices in this volume reflect the cooperative efforts of the LRC Staff.

Robert S. Sherman
Director

The Capitol
Frankfort, Kentucky
2005

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**JOURNAL
 OF THE
 HOUSE OF REPRESENTATIVES
 OF THE
 GENERAL ASSEMBLY
 OF THE
 COMMONWEALTH OF KENTUCKY
 FIRST EXTRAORDINARY SESSION
 OF 2004
 TUESDAY, OCTOBER 5, 2004
 FIRST LEGISLATIVE DAY**

At an Extraordinary Session of the General Assembly of the Commonwealth of Kentucky, held at the Capitol in the City of Frankfort, and begun on October 5, 2004, the two hundred and thirteenth year of the Commonwealth, in compliance with a Proclamation issued by the Governor of the Commonwealth of Kentucky, the Honorable Ernie Fletcher, the House of Representatives was called to order by the Honorable Jody Richards, Speaker of the House of Representatives.

Prayer by Reverend Chris Goodman, Victory Church, Madisonville, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

Mr. John Hutcheson of Carter County did a special reading which was followed by music presented by the Goodman Trio of Madisonville, Kentucky.

The Clerk read the following Governor's Proclamation:

Proclamation by Ernie Fletcher, Governor of Kentucky:

To All To Whom These Presents Shall Come: Pursuant to the power vested in me by Section 80 of the Constitution of the Commonwealth of Kentucky, I, Ernie Fletcher, Governor, do issue this Proclamation convening the Kentucky General Assembly in Extraordinary Session at the Seat of Government, Frankfort, Kentucky, at 2:00 p.m. (EDST), Tuesday, October 5, 2004, for the sole purpose of considering the compensation, health insurance benefits, and retirement benefits of active and retired public employees, and making an appropriation therefor.

DONE AT THE CAPITOL, in the City of Frankfort, this the 4th day of October in the year of our Lord Two Thousand and Four and in the year of the Commonwealth the Two Hundred and Thirteenth.

/s/ Ernie Fletcher, Governor

/s/ Trey Grayson, Secretary of State

Speaker Richards stated the Journal will show the same membership as that of the 2004 Regular Session with exception of a vacancy in Daviess 13.

The roll was called. All members present except Representatives Horlander, Mobley, and Nesler.

Representative Ballard moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Ballard moved that the Rules be suspended for the purpose of making a motion concerning co-sponsors. Agreed.

Representative Ballard moved that all properly filed co-sponsor requests be approved. Agreed.

Introduction of Bills and Resolutions

HR 1, by Representative Richards: A RESOLUTION extending an invitation to the pastors of Frankfort churches to open sessions of the 2004 Extraordinary Session with prayer.

HR 2, by Representative Richards: A RESOLUTION adopting the Rules of Procedure for the 2004 Extraordinary Session of the House of Representatives.

Representative Ballard moved that the rules be suspended to act upon a Legislative Citation. Agreed.

Representative Ballard moved the adoption of the following **Legislative Citation No. 1**.

The House of Representatives of the Commonwealth of Kentucky hereby recognizes and honors The Goodman Trio as this talented group of singers, each of whom have actively pursued music ministry with choirs, youth bands, and praise and worship teams, visits the Chambers of the House of Representatives during this first day of the Extraordinary Session of the Kentucky General Assembly. This trio, comprised of Kris and Allison Goodman, who currently pastor Victory Church in Madisonville, Kentucky, and Shannon P'Pool, all of whom met in 1982 at the Life Temple Church founded by "The Happy Goodman Family" whose members have established a fifty-year tradition of gospel singing, is offered a warm welcome as its singers perform inspirational music that has brought hope and happiness to countless people. Representative Eddie Ballard hereby expresses sincere appreciation to The Goodman Trio on this auspicious occasion and extends best wishes as they continue to touch the lives of those for whom they most graciously raise their voices in song.

Legislative Citation No. 1 was adopted without objection.

Representative Adkins moved the adoption of the following **HR 1**:

HR 1, AN ACT relating to a regional university.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 164.335 is amended to read as follows:

- (1) In addition to the qualifications provided in KRS 164.131 for members of the board of trustees of the University of Kentucky, in KRS 164.821 for members of the board of trustees of the University of Louisville, and in KRS 164.321 for members of the board of regents of other Kentucky universities and of the Kentucky Community and Technical College System, no person who is a member of either house of the Kentucky General Assembly shall serve as a member of the board of trustees or board of regents of any public institution.
- (2) Any person who is serving as a member of the General Assembly and who is a full-time employee at a regional university on the effective date of this Act shall be permanently prohibited from serving as president of that university.

There being no objection, **HR 1** was adopted.

Representative Adkins moved the adoption of the following **HR 2**:

HR 2, AN ACT proposing to create a new section of the Constitution of Kentucky and amend Section 226 of the Constitution of Kentucky, relating to casinos.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. IT IS PROPOSED THAT A NEW SECTION BE ADDED TO THE CONSTITUTION OF KENTUCKY TO BE NUMBERED 226B AND TO READ AS FOLLOWS:

- (1) The General Assembly may enact laws permitting the operation of casinos, which may include the operation of casinos at horse racing tracks.
- (2) If the General Assembly enacts laws permitting the operation of casinos, these laws shall:
 - (a) Create by general law an agency of state government to be responsible for the strict regulation of casinos in the public interest;
 - (b) Set forth by general law the qualifications of individuals and entities entitled to participate in the operation of casinos;
 - (c) Limit the number and control and designate the location of casinos authorized to operate in Kentucky by special or local laws, notwithstanding Section 59 or 60 of this Constitution;
 - (d) Define with specificity the types of lotteries, gift enterprises, and other gambling games that may be conducted at casinos, by general law; and
 - (e) Establish any other standards the General Assembly deems necessary to ensure honesty, integrity and public confidence in the operation of casinos, by general law.

(3) Laws enacted by the General Assembly pursuant to this section shall not authorize the operation of a casino unless the person or entity requesting authority to operate has first obtained approval from the state agency referred to in subsection (2)(a) of this section and then has obtained the approval of the governing body of the county, urban-county, charter county, or consolidated local government in which the person or entity proposes to operate.

Section 2. It is proposed that Section 226 of the Constitution of Kentucky be amended to read as follows:

(1) The General Assembly may establish a Kentucky state lottery and may establish a state lottery to be conducted in cooperation with other states. Any lottery so established shall be operated by or on behalf of the Commonwealth of Kentucky.

(2) The General Assembly may by general law permit charitable lotteries and charitable gift enterprises and, if it does so, it shall:

(a) Define what constitutes a charity or charitable organization;

(b) Define the types of charitable lotteries and charitable gift enterprises which may be engaged in;

(c) Set standards for the conduct of charitable lotteries and charitable gift enterprises by charitable organizations;

(d) Provide for means of accounting for the amount of money raised by lotteries and gift enterprises and for assuring its expenditure only for charitable purposes;

(e) Provide suitable penalties for violation of statutes relating to charitable lotteries and charitable gift enterprises; and

(f) Pass whatever other general laws the General Assembly deems necessary to assure the proper functioning, honesty, and integrity of charitable lotteries and charitable gift enterprises, and the charitable purposes for which the funds are expended.

(3) Except as provided in this section and Section 1 of this Act, lotteries and gift enterprises are forbidden, and no privileges shall be granted for such purposes, and none shall be exercised, and no schemes for similar purposes shall be allowed. The General Assembly shall enforce this section by proper penalties. All lottery privileges or charters heretofore granted are revoked.

Section 3. This amendment shall be submitted to the voters of the Commonwealth for their ratification or rejection at the time and in the manner provided for under Sections 256 and 257 of the Constitution and under KRS 118.415. The question to be submitted to the voters shall read as follows: "Are you in favor of permitting the General Assembly to authorize the operation of casinos, which may include the operation of casinos at horse racing tracks, subject to the approval of a state agency created to oversee casino gaming and the approval of the governing body of the county, urban-county, charter county, or consolidated local government in which the casino is proposed to be located?"

There being no objection, **HR 2** was adopted.

Representative Adkins moved that the rules be suspended for the Introduction of Bills and Resolutions. Agreed.

Announcements

The following meetings were announced:

Committee on Appropriations and Revenue - 30 minutes upon adjournment, Wednesday, October 6, 2004

Committee State Government - Upon adjournment

Adjournment

Representative Adkins moved that when the House does adjourn it does so until 9:00 a.m., Wednesday, October 6, 2004. Agreed.

Representative Adkins moved that the House adjourn.

The motion that the House adjourn until 9:00 a.m., Wednesday, October 6, 2004, was adopted by voice vote.

WEDNESDAY, OCTOBER 6, 2004
SECOND LEGISLATIVE DAY

The House was called to order by Speaker Richards.

Prayer by Reverend Alan Sorem, South Frankfort Presbyterian Church, Frankfort, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Bather, Barrows, Crenshaw, Gray, Meeks, Mobley, Stein, and Webb.

Representative Ballard moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Ballard moved that the reading of the Journal of October 5, 2004, be dispensed with and the same approved. Agreed.

Representative Ballard moved that the Rules be suspended for the purpose of making a motion concerning co-sponsors. Agreed.

Representative Ballard moved that all properly filed co-sponsor requests be approved. Agreed.

Introduction of Bills and Resolutions

HB 2, by Representatives Harmon and Fischer: AN ACT relating to employee benefits, making an appropriation therefor, and declaring an emergency.

Announcements

The following meetings were announced:

Committee on Appropriations and Revenue - 45 minutes upon adjournment Committee on State Government - 15 minutes upon adjournment, Room 129

Adjournment

Representative Adkins moved that when the House does adjourn it does so until 9 a.m., Thursday, October 7, 2004. Agreed.

Representative Adkins moved that the House adjourn.

The motion that the House adjourn until 9:00 a.m., Thursday, October 7, 2004, was adopted by voice vote.

THURSDAY, OCTOBER 7, 2004

THIRD LEGISLATIVE DAY

The House was called to order by Speaker Richards.

Prayer by Reverend David Hinson, First Baptist Church, Frankfort, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Bather, Comer, Crenshaw, Feeley, Gray, Lindsay, Mobley, Riggs, and Walton.

Representative Ballard moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Ballard moved that the reading of the Journal of October 6, 2004, be dispensed with and the same approved. Agreed.

Representative Ballard moved that the Rules be suspended for the purpose of making a motion concerning co-sponsors. Agreed.

Representative Ballard moved that all properly filed co-sponsor requests be approved. Agreed.

Reference of Bills and Resolutions

The Clerk reported that the Committee on Committees has referred the following Bill:

Appropriations and Revenue: **HB 2**

Motions, Petitions, and Communications

Representative Barrows moved to suspend the rules to introduce and act on a Resolution. Agreed.

Introduction of Bills and Resolutions

HR 3, by Representatives Barrows, Graham, and Hoffman: A RESOLUTION memorializing Grace Johnson Britton.

Motions, Petitions, and Communications (Continued)

Representative Barrows moved the adoption of the following **HR 3**:

HR 3, A RESOLUTION memorializing Grace Johnson Britton.

WHEREAS, Grace Johnson Britton was a native daughter of the Commonwealth of Kentucky; and

WHEREAS, Grace Johnson Britton was a faithful member of Calvary Baptist Church and an involved member of the Franklin County Baptist Association-WMU; and

WHEREAS, Grace Johnson Britton was the loving wife of the late Nat Britton, and the caring mother of Linda Britton Mitchell, Sharon Lee Britton, Natalie Ann Britton, Peggy Britton Miller, and Larry Scott Britton; and

WHEREAS, Grace Johnson Britton served the General Assembly and the citizens of Kentucky very faithfully since 1968 working in the House of Representatives Enrolling and Engrossing office, ensuring that the legislative directives of the General Assembly were recorded properly and truly; and

WHEREAS, Grace Johnson Britton became known through her service with the General Assembly as a kind and gentle soul, known also for her sweet smile and for her sweet chocolate cake, both of which nourished her co-workers' bodies and spirits; and

WHEREAS, Grace Johnson Britton passed away on October 2nd, 2004;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The House of Representatives does hereby extend its most heart-felt sympathy to the family of Grace Johnson Britton at her passing on October 2nd, 2004.

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Section 2. The House of Representatives affirms that the loss of Grace Johnson Britton will be felt by the members of the General Assembly, her co-workers, and her many friends.

Section 3. When the House of Representatives adjourns this day, it shall do so in fond memory and respect of Grace Johnson Britton and her service to the General Assembly.

There being no objection **HR 3** was adopted.

The roll call was opened for co-sponsors and on the roll call on **HR 3** the vote was: **Yeas 89**. (See October 7, 2004, roll call to show co-sponsors on **HR 3-Appendix**.)

Representative Adkins moved that the rules be suspended for the Introduction of Bills and Resolutions. Agreed.

Announcements

The following meetings were announced:

Committee on State Government - 30 minutes upon adjournment, October 7, 2004

Committee on Appropriations and Revenue - 11:00 a.m., October 7, 2004

Majority Caucus - upon recess, October 8, 2004, Supreme Court Chambers

Adjournment

Representative Adkins moved that when the House does adjourn it does so until 9 a.m., Friday, October 8, 2004. Agreed.

Representative Adkins moved that the House adjourn.

The motion that the House adjourn until 9:00 a.m., Friday, October 8, 2004, was adopted by voice vote.

FRIDAY, OCTOBER 8, 2004
FOURTH LEGISLATIVE DAY

The House was called to order by Speaker Richards.

Prayer by Miriam Picconi, Pastoral Director, Good Shepherd Catholic Church, Frankfort, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Bather, Buckingham, Comer, Draud, Geveden, Hoover, Kerr, Meeks, Mobley, Reinhardt, Walton, Wayne, and Yonts.

Representative Ballard moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Ballard moved that the reading of the Journal of October 7, 2004, be dispensed with and the same approved. Agreed.

Representative Ballard moved that the Rules be suspended for the purpose of making a motion concerning co-sponsors. Agreed.

Representative Ballard moved that all properly filed co-sponsor requests be approved. Agreed.

Introduction of Bills and Resolutions

HR 4, by Representatives Ballard, J. Adams, Gooch, Couch, Reinhardt, and Marcotte: A RESOLUTION recognizing the Associated Industries of Kentucky as a premier organization that represents manufacturing, business, and industry in Kentucky.

HR 5, by Representatives Palumbo and Webb: A RESOLUTION adjourning the House of Representatives in loving memory and honor of Paul Jennings Sturgill.

HR 6, by Representatives Simpson and Callahan: A RESOLUTION adjourning the House of Representatives in loving memory and honor of Michael Edward Connor.

Motions, Petitions, and Communications

Representative Palumbo moved the adoption of the following **HR 5**:

HR 5, A RESOLUTION adjourning the House of Representatives in loving memory and honor of Paul Jennings Sturgill.

With deepest respect and admiration, we pay homage and tribute to Paul Jennings Sturgill, and we pause in silent reverence for his soul.

WHEREAS, Paul Jennings Sturgill was born on November 5, 1952, a native of Perry County, Kentucky, and longtime resident of Fayette County, Kentucky, and he traversed these earthly bounds on September 24, 2004; and

WHEREAS, Paul Jennings Sturgill was the loving son of William B. and Eloise W. Sturgill; he was the devoted husband of Tobey Stilz Sturgill; he was the loving father of four children, Eloise Rose "Ellie" Sturgill of Portland, Oregon; Jennings Calvert "Jenny" Sturgill of Washington, D. C.; and William Bartram Sturgill II and Kenton Douglas Sturgill, both of Lexington; he also leaves behind a loving sister and brother-in-law, Mary and Cooper Hartley of Lexington, and a loving brother and sister-in-law, Richard and Tracie Sturgill of Lexington; he was the loving nephew of two aunts, Mary Martha Williams and Winifred Skaggs, both of Lexington, and three uncles, Tom Dingus and Barkley J. Sturgill and his wife Nancy, all of Prestonsburg, and Josh Williams and his wife Terry of Dover, Delaware; and he was the proud uncle of 13 nieces and nephews, Emmy Hartley, Matthew Hartley, Stuart Hartley, Kendall Sturgill, Missy Metzger, Buffy Stilz, Trey Stilz, Annie Stilz, Coley Stilz, John Paul Stilz, Kash Stilz, Ellen Stilz, and Jane Stilz; and

WHEREAS, Paul Jennings Sturgill was an active and involved citizen, and an outstanding member of the Fayette County community, where he was an entrepreneur; during his career, he was associated with many companies, including Brandeis Equipment Supply, Wave Mining Company, Golden Oak Mining Company, Clean Coal Terminal, Big Elk Creek Coal Company, Central Rock Mineral Company, Belva Coal Company, and Bluegrass Sandblasting Company; and at the time of his passing, he and his wife Tobey owned and operated the Gardenside Cafe; and

WHEREAS, Paul Jennings Sturgill was actively involved in the Paul Laurence Dunbar High School Football Booster Club and Gardenside Little League; he was a member of the Kentucky Crushed Stone Association, the Kentucky Coal Association, and the Keeneland Club; and he served on the advisory board for Hazard Community College; and

WHEREAS, the passing of Paul Jennings Sturgill has left a void that cannot be filled, and he is mourned across the length and breadth of the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The House of Representatives does hereby express its profound sense of sorrow at the passing of Paul Jennings Sturgill, and extends to his loving family and many friends its most heartfelt sympathy.

Section 2. When the House of Representatives adjourns this day, it does so in loving memory and honor of Paul Jennings Sturgill.

Section 3. The Clerk of the House of Representatives is hereby directed to transmit a copy of this Resolution to Mrs. Tobey Stilz, 1260 Standish Way, Lexington, Kentucky 40504.

There being no objection **HR 5** was adopted.

The roll call was opened for co-sponsors and on the roll call on **HR 5** the vote was: **Yeas 79**. (See October 8, 2004, roll call to show co-sponsors on **HR 5-Appendix**.)

Representative Simpson moved the adoption of the following **HR 6**:

HR 6, A RESOLUTION adjourning the House of Representatives in loving memory and honor of Michael Edward Connor.

With deepest respect and admiration, we pay homage and tribute to Michael Edward Connor, and we pause in silent reverence for his soul.

WHEREAS, Michael Edward Connor was born on December 7, 1949, a native of Latonia, Kenton County, Kentucky, and a resident of Sarasota, Florida, and he traversed these earthly bounds on September 2, 2004; and

WHEREAS, Michael Edward Connor was the loving son of the late Frank and Selma Connor; he was the devoted husband of Heidi Anderson Connor; and he was the loving stepfather of Chris and Corina Duffy; and

WHEREAS, Michael Edward Connor was raised in Latonia and was a parishioner at Holy Cross Church; he attended LaSalette Academy and the Cincinnati Conservatory of Music, where he became an accomplished pianist; and

WHEREAS, Michael Edward Connor performed for many years with the successful country-rock recording group Pure Prairie League, and their song "Amie" became a household tune enjoyed by generations of music lovers; and

WHEREAS, Michael Edward Connor, affectionately known as "Sugar Bear," was a dedicated horseman, trainer, and breeder who was devoted to his thoroughbred horses; and

WHEREAS, Michael Edward Connor touched many lives throughout his years in Kentucky, in the music business, and with the citizens of Sarasota, Florida; and

WHEREAS, the passing of Michael Edward Connor has left a void that cannot be filled, and he is mourned across the length and breadth of the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The House of Representatives does hereby express its profound sense of sorrow upon the passing of Michael Edward Connor, and extends to his family and friends its most heartfelt sympathy.

Section 2. When the House of Representatives adjourns this day, it does so in loving memory and honor of Michael Edward Connor.

Section 3. The Clerk of the House of Representatives is hereby directed to transmit a copy of this Resolution to the Honorable D. M. Foellger, 330 York Street, Newport, Kentucky 41071.

There being no objection **HR 6** was adopted.

The roll call was opened for co-sponsors and on the roll call on **HR 6** the vote was: **Yeas 85**. (See October 8, 2004, roll call to show co-sponsors on **HR 6-Appendix**.)

Representative Adkins moved that the House recess until 10:30 a.m. Agreed.

Recess

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Representative Adkins moved that no further business be conducted on this day except the introduction and filing of Bills and Resolutions. Agreed.

Representative Adkins moved that the House recess until 3:00 p.m. Agreed.

Recess

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Announcements

The following meetings were announced:

Interim Joint Committees on Health and Welfare, Judiciary, and the Program Review and Investigations Committee will meet in a joint meeting - October 19, 2004, 10:00 a.m.

Majority Caucus - 15 minutes upon recess - Supreme Court Chambers

Committee on Education - Monday, October 11, 2004, canceled

Adjournment

Representative Adkins moved that when the House does adjourn it does so until 4:00 p.m., Monday, October 11, 2004. Agreed.

Representative Adkins moved that the House adjourn.

The motion that the House adjourn until 4:00 p.m., Monday, October 11, 2004, was adopted by voice vote.

MONDAY, OCTOBER 11, 2004
FIFTH LEGISLATIVE DAY

The House was called to order by Speaker Richards.

Prayer by Brother Joe Adams, Chaplain Ministries, Bardstown, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Bather, Comer, Haydon, Kerr, Marzian, Mobley, Stein, Vincent, and Walton.

Representative Ballard moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Ballard moved that the reading of the Journal of October 8, 2004, be dispensed with and the same approved. Agreed.

Representative Ballard moved that the Rules be suspended for the purpose of making a motion concerning co-sponsors. Agreed.

Representative Ballard moved that all properly filed co-sponsor requests be approved. Agreed.

Introduction of Bills and Resolutions

HR 7, by Representative Collins: A RESOLUTION adjourning the House of Representatives in loving memory and honor of Blanche Barber Daniel.

HR 8, by Representative Collins: A RESOLUTION adjourning the House of Representatives in loving memory and honor of James Scott Preston.

HR 9, by Representative Pullin: A RESOLUTION to express support for Greenup County school employees.

HR 10, by Representative Pullin: A RESOLUTION to express support for Russell Independent school district employees.

HB 1, by Representatives Richards, Adkins, L. Clark, Moberly, Barrows, and Callahan: AN ACT relating to employee benefits and declaring an emergency.

Representative Adkins moved that the rules be suspended to allow the House to recess for a Committee on Committees meeting. Agreed.

Recess

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Representative Adkins moved that the rules be suspended and to waive the posting requirement on **HB 1**. Agreed.

Representative Adkins moved that the rules be suspended for a Committee on Committees report. Agreed.

Reference of Bills and Resolutions

The Clerk reported that the Committee on Committees has referred the following Bill and Resolution:

Appropriations and Revenue: **HB 1**

House Floor: **HR 4**

Motions, Petitions, and Communications

Representative Collins moved the adoption of the following **HR 7**:

HR 7, A RESOLUTION adjourning the House of Representatives in loving memory and honor of Blanche Barber Daniel.

With deepest respect and admiration, we pay homage and tribute to Blanche Barber Daniel, and we pause in silent reverence for her soul.

WHEREAS, Blanche Barber Daniel was born on August 8, 1923, a native of Johnson County, Kentucky, and she traversed these earthly bounds on July 8, 2004; and

WHEREAS, Blanche Barber Daniel was the loving daughter of the late Henry and Sarah Frances "Patty" Barber of Davis Branch; she was the adored mother and mother-in-law of Brian Ann Arnett and her husband Gary of Versailles, Jamie Jo Franklin and her husband Mike of Lexington, Jan Lou Tomlin of Lexington, and Jimmie Lee Daniel of Paintsville; she was the proud grandmother of three grandchildren, Jeffrey Clinton Arnett of Chicago, Illinois, and Lorin Elizabeth Franklin and Michael Killen Franklin, both of Lexington; and she was a very special friend and loved one of Bradley Bentley of Whitesburg; and she also leaves behind a brother and sister-in-law, Bryan Barber and his wife Grace of Paintsville, and a sister, Phyllis McKenzie of Auxier, and many nieces and nephews and their families; and

WHEREAS, Blanche Barber Daniel graduated from Meade Memorial High School in Paintsville, after which time she enrolled in the Booth Business School, which was the predecessor of Mayo State Vocational and Technical School; after graduation and her passage of the federal civil service test, she moved to Washington, D. C., where she worked for the Commerce Department, the Merchant Marines, and in the Pentagon for the Defense Department; upon her return to Johnson County in January 1954, she enrolled at Mayo Vocational and Technical School and became a licensed practical nurse; in the early 60s, she became office manager and bookkeeper for the Royal Crown Bottling Company, where she remained for over 40 years, and she regrettably retired a few days before her passing; and

WHEREAS, Blanche Barber Daniel was a woman of all seasons; she lived life to the fullest, and she brought to her community the enthusiasm she displayed throughout her life; she was an ambassador of goodwill, in the truest sense of the word; she never met a stranger, never turned her back on people in need, and truly enjoyed making people comfortable and happy; she loved to travel, and through her travels, she befriended many strangers; she had a passion for genealogy and history and enjoyed sharing her knowledge; and

WHEREAS, Blanche Barber Daniel's greatest achievement and delight was her family; in an age in which family values are at the center of the thinking of many, she was the living embodiment of those ideals, and her character was expressed in a quiet firmness that met any situation with a deep faith in the inherent goodness of mankind and a strong belief in God; and

WHEREAS, a life spent worthily should be measured by deeds, not years, and through her compassion, enthusiasm, and genuine love and concern for her fellow man, Blanche Barber Daniel is worthy of the highest commendation; and

WHEREAS, the passing of Blanche Barber Daniel has left a void that cannot be filled, and she is mourned across the length and breadth of the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The House of Representatives does hereby express its profound sense of sorrow upon the passing of Blanche Barber Daniel, and extends to her family and many friends its most heartfelt sympathy.

Section 2. When the House of Representatives adjourns this day, it does so in loving memory and honor of Blanche Barber Daniel.

Section 3. The Clerk of the House of Representatives is hereby directed to transmit a copy of this Resolution to Mrs. Jamie Jo Franklin, 353 Glendover Road, Lexington, Kentucky 40503; to Mrs. Brian Ann Arnett, No. 5 Glenhaven Drive, Versailles, Kentucky 40383; to Mrs. Jan Lou Tomlin, 2041 St. Michael Drive, No. 2, Lexington, Kentucky 40502; and to Mr. Jimmie Lee Daniel, 317 Euclid Avenue, Paintsville, Kentucky 41240.

There being no objection, **HR 7** was adopted.

Representative Collins moved the adoption of the following **HR 8**:

HR 8, A RESOLUTION adjourning the House of Representatives in loving memory and honor of James Scott Preston.

With deepest respect and admiration, we pay homage and tribute to James Scott Preston, and we pause in silent reverence for his soul.

WHEREAS, James Scott Preston was born on October 15, 1945, a native of Johnson County, Kentucky, and he traversed these earthly bounds on October 2, 2004; and

WHEREAS, James Scott Preston was the loving son of Shirley Scott Preston and the late Hansel Preston; he was the

devoted husband of Cassy Mason Preston; he was the loving father of a daughter, Dr. Lesley Preston Abbott of Ashland, and a son, Heath Preston of Paintsville; and he was the proud grandfather of two grandchildren; and

WHEREAS, James Scott Preston received a degree in electrical engineering from the University of Kentucky; he worked for NASA on the Apollo program for several years; he received a master's degree in business from Florida State University and a law degree from the University of Louisville; and

WHEREAS, James Scott Preston was an outstanding member of the Johnson County community; he was in private law practice, and his clients included the Magoffin County school board, Big Sandy Rural Electric Cooperative Corporation, Paintsville Utilities, Big Sandy Regional Detention Center, and the Martin, Paintsville, and Johnson County housing authorities; he was instrumental in persuading Millennium Teleservices to locate in Paintsville, and he was a founding member of a non-profit foundation that provides financial assistance for needy Johnson County residents; and

WHEREAS, James Scott Preston was an influential member of the Republican party; he was elected Johnson County Attorney for five terms; he was a former president of the Johnson County Bar Association and the Paintsville-Johnson County Chamber of Commerce, and he also served on the boards of Mayo State Vocational School and Prestonsburg Community College; and

WHEREAS, the passing of James Scott Preston has left a void that cannot be filled, and he is mourned across the length and breadth of the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The House of Representatives does hereby express its profound sense of sorrow upon the passing of James Scott Preston, and extends to his family and many friends its most heartfelt sympathy.

Section 2. When the House of Representatives adjourns this day, it does so in loving memory and honor of James Scott Preston.

Section 3. The Clerk of the House of Representatives is hereby directed to transmit a copy of this Resolution to Mrs. Cassy Mason Preston, 525 Second Street, Paintsville, Kentucky 41240.

There being no objection, **HR 8** was adopted.

Representative Adkins moved that the House recess for a Committee on Appropriations and Revenue meeting. Agreed.

Recess

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Report of Committees

The Committee on Appropriations and Revenue reported **HB 1** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 1, AN ACT relating to employee benefits and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Whereas, the General Assembly finds that the policy or policies for group health care coverage provided pursuant to KRS 18A.225 for the period January 1, 2005, to December 31, 2005, will result in a burdensome shifting of health insurance costs to participants in the state health insurance program, it is the intent of the General Assembly that the contracts be amended or additional funds be appropriated to reduce the out-of-pocket expenditures for employees, retirees, and their dependents.

Section 2. Whereas the relief intended under the provisions of this Act must be provided effective January 1, 2005, an emergency is declared to exist, and this Act takes effect upon its passage and approval by the Governor or upon its otherwise becoming law.

JOURNAL OF THE HOUSE OF REPRESENTATIVES
2004 First Extraordinary Session

Announcements

Tobacco Oversight - Tuesday October 12, 2004, 12:30 p.m., Room 131

Adjournment

Representative Adkins moved that when the House does adjourn it does so until 9 a.m., Tuesday, October 12, 2004.
Agreed.

Representative Adkins moved that the House adjourn.

The motion that the House adjourn until 9:00 a.m., Tuesday, October 12, 2004, was adopted by voice vote.

TUESDAY, OCTOBER 12, 2004

SIXTH LEGISLATIVE DAY

The House was called to order by Speaker Richards.

Prayer by Reverend Jack Brewer, First United Methodist Church, Frankfort, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Barrows, Bather, Haydon, Kerr, Meeks, Mobley, Palumbo, Stein, Walton, and Wayne.

Representative Ballard moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Ballard moved that the reading of the Journal of October 11, 2004, be dispensed with and the same approved. Agreed.

Representative Ballard moved that the Rules be suspended for the purpose of making a motion concerning co-sponsors. Agreed.

Representative Ballard moved that all properly filed co-sponsor requests be approved. Agreed.

Reference of Bills and Resolutions

The Clerk reported that the Committee on Committees has referred the following Resolutions:

House Floor: **HR 9, 10**

Calendar

HB 1 taken from the Calendar and ordered read at length for the second time. Representative Adkins moved that it be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Motions, Petitions, and Communications

Representative Adkins moved that **HB 1** be recommitted to the Committee on Appropriations and Revenue. Agreed.

Announcements

The following meetings were announced:

Committee on State Government - 10 a.m., today, Room 129

Committee on Appropriations and Revenue - 10 a.m., Wednesday, October 13, 2004

Adjournment

Representative Adkins moved that when the House does adjourn it does so until 2 p.m., Wednesday, October 13, 2004. Agreed.

Representative Adkins moved that the House adjourn.

The motion that the House adjourn until 2:00 p.m., Wednesday, October 13, 2004, was adopted by voice vote.

WEDNESDAY, OCTOBER 13, 2004
SEVENTH LEGISLATIVE DAY

The House was called to order by Speaker Richards.

Prayer by Reverend Robert Cannon, Powersville Christian Church, Powersville, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

Mary Middleton sang The National Anthem.

The roll was called. All members present except Representatives Bather, Mobley, and Walton.

Representative Ballard moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Ballard moved that the reading of the Journal of October 12, 2004, be dispensed with and the same approved. Agreed.

Representative Ballard moved that the Rules be suspended for the purpose of making a motion concerning co-sponsors. Agreed.

Representative Ballard moved that all properly filed co-sponsor requests be approved. Agreed.

Introduction of Bills and Resolutions

HB 3, by Representatives Nelson and Dw. Butler: AN ACT relating to insurance.

HR 11, by Representative Pullin: A RESOLUTION to express support for Raceland-Worthington Independent school district employees.

HR 12, by Representatives Damron and Coleman: A RESOLUTION adjourning the House of Representatives in loving memory and honor of David Myron Adkinson.

Representative Damron moved that the rules be suspended to introduce and act upon Resolutions. Agreed.

HR 13, by Representatives Damron and Barrows: A RESOLUTION adjourning the House of Representatives in loving memory and honor of David Myron Adkinson.

HR 14, by Representatives Damron and Barrows: A RESOLUTION memorializing Custer Burnam Reynolds and adjourning the House of Representatives in his honor.

Motions, Petitions and Communications

Representative Damron moved the adoption of the following **HR 13**:

HR 13, A RESOLUTION adjourning the House of Representatives in loving memory and honor of David Myron Adkinson.

With deepest respect and admiration, we pay homage and tribute to David Myron Adkinson, and we pause in silent reverence for his soul.

WHEREAS, David Myron Adkinson was born on July 30, 1945, a native of Harrodsburg, Mercer County, Kentucky, and he traversed these earthly bounds on October 5, 2004; and

WHEREAS, David Myron Adkinson was the loving son of the late Lee Olan and Margaret Ann Sims Adkinson; he was the devoted husband of 37 years to Kandie Prather Adkinson; he was the loving father of a son and daughter-in-law, Travis Scott Adkinson and his wife Kim (Whaley) Adkinson of Lexington; and he was the proud grandfather of three granddaughters, Kayla Grace, Hannah Rose, and Caroline Elizabeth Adkinson; and he also leaves behind a loving brother, Ronald Lee Adkinson of Orlando, Florida, one uncle, Foster Sims of Boyle County, and four loving aunts, Doris Sims of Boyle County, Hilda Sims of Mercer County, Mary K. Drury of Harrodsburg, and Mary Louise Adkinson of Biloxi, Mississippi; and

WHEREAS, David Myron Adkinson served his country with honor and distinction in the United States Navy; and

WHEREAS, David Myron Adkinson graduated from Harrodsburg High School, and he attended Eastern Kentucky University and Kentucky State University; he was a devout Christian and a member of Cornishville Christian Church, where he served as deacon, elder, vocalist, and song leader, and in recent years, he attended Jessamine Christian Church in Nicholasville; and

WHEREAS, David Myron Adkinson was a direct descendant of Union soldiers who fought with the 9th Kentucky Calvary at the Battle of Perryville; he was the past Post Commander and the present Department Commander for the Sgt. Elijah Marrs, Camp 5, Sons of the Union Veterans of the Civil War; and he also was the past Adjutant for the Sons of the Union Veterans Reserve, and at the time of his passing, he served as Secretary-Treasurer of the Kentucky Commandery of the Military Order of the Loyal Legion of the United States; and

WHEREAS, David Myron Adkinson served as Driver Improvement Officer for the Commonwealth of Kentucky from August 1968 through April 1972; in March 1973, while employed as a fireman for the City of Harrodsburg, he was appointed the first director of emergency ambulance services sponsored jointly by the Harrodsburg and Mercer County governments; from 1976 through 1980, he was a field representative for the Emergency Medical Services Branch of the Kentucky Department of Health; and

WHEREAS, David Myron Adkinson was a three year member of the Board of Directors of the National Association of Search and Rescue, and he was a proponent of specialized training for specific rescues, such as swift water, underground, and rugged terrain; he retired from the Division of Emergency Management, Kentucky Department of Military Affairs in October 2000; and

WHEREAS, David Myron Adkinson was employed in the Emergency Medical Services Branch of the University of Kentucky Athletics Department from 1974 to 1998 and the Lexington Civic Center from 1977 to 1998, and his duties included driving the First-Aid cart and serving as an Emergency Medical Technician for the University of Kentucky athletic events and Rupp Arena events; and after his retirement, he was employed by the Message Center for the Legislative Research Commission; and

WHEREAS, during his tenure at the Division of Emergency Management, David Myron Adkinson was named the Coordinator for Search and Rescue Programs; he was affectionately known as the "SAR Czar," and he oversaw the distribution of grant moneys to Kentucky Rescue Squads; he initiated the first programs for searching for lost persons, search management, and he helped in the creation of KRS Chapter 39F relating to rescue squads and search and rescue; and

WHEREAS, David Myron Adkinson was responsible for bringing National Park Service search management expert Bill Pierce to Kentucky to teach the first National Association for Search and Rescue "Managing the Search Function" course in Kentucky; and

WHEREAS, David Myron Adkinson was responsible for bringing the National Association for Search and Rescue's Training Officer Jim O'Brien to Kentucky to teach one of the first "Fundamentals of Search and Rescue" instructor courses in the nation so that for the first time there was a course to provide consistently high quality and uniform training for those who actually search in the field for lost persons; and

WHEREAS, David Myron Adkinson was responsible for bringing to Kentucky the prestigious Inland Search and Rescue School, which is jointly run by the United States Air Force and the United States Coast Guard; and

WHEREAS, David Myron Adkinson early recognized the usefulness of trained dogs and handlers in searching for lost persons, and then founded and was the first president of the Kentucky Search Dog Association, which pioneered search dog training in Kentucky; and

WHEREAS, David Myron Adkinson was instrumental in founding search dog organizations throughout the Commonwealth, and these organizations have become national leaders in the use of dogs to find lost persons in the wilderness, in urban areas, in collapsed buildings during disasters, after floods, and particularly in water search for drowned persons; and

WHEREAS, David Myron Adkinson helped in the founding of the Eastern Kentucky and Western Kentucky Search and Rescue schools, which were held annually for the training of rescue squads, fire departments, emergency management, and other personnel in the various aspects of rescuing from water rescue to cave rescue, from high angle rescue to rescue management, and many other aspects of helping others in need; and

WHEREAS, the most fitting memorial to David Myron Adkinson is the fact that the length of the average search for a lost or missing person has gone from a period of three to five days to a period of five to eight hours, and with finds of live persons increasing dramatically due to the search techniques, search management skills, and use of search dogs in land and water rescue that David Myron Adkinson introduced in Kentucky; and

WHEREAS, David Myron Adkinson's real legacy to the state lies in: the lives of the drivers he saved during his driver improvement career; the lives he saved during his emergency medical services career; the lives which the ambulance service he operated saved; the lives which were saved and will be saved in the future by those he trained; and the lives which are being saved, and which will be saved in the future by the descendants of the graduates of his training; and his vision for search and rescue in Kentucky; and

WHEREAS, the passing of David Myron Adkinson has left a void that cannot be filled, and he is mourned across the length and breadth of the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The House of Representatives does hereby express its profound sense of sorrow at the passing of David Myron Adkinson, and extends to his family and many friends its most heartfelt sympathy.

Section 2. When the House of Representatives adjourns this day, it does so in loving memory and honor of David Myron Adkinson.

Section 3. The Clerk of the House of Representatives is hereby directed to transmit a copy of this Resolution to Mrs. Kandie Prather Adkinson, Office of the Secretary of State, Suite 152, State Capitol, Frankfort, Kentucky 40601.

There being no objection, **HR 13** was adopted.

Representative Damron moved the adoption of the following **HR 14**:

HR 14, A RESOLUTION memorializing Custer Burnam Reynolds and adjourning the House of Representatives in his honor.

WHEREAS, Custer Burnam Reynolds was a native son of the Commonwealth of Kentucky, born in Crockettville, Kentucky; and

WHEREAS, Custer Burnam Reynolds served his country faithfully in the United States Marine Corps' Fourth Division in World War II in which his division participated during the famed invasion of the island of Iwo Jima in the Pacific; and

WHEREAS, Custer Burnam Reynolds's passion for education was demonstrated throughout his life in his pursuit of education through his attainment of a Bachelor's degree from Morehead State University, a Master's degree in Educational Administration from the University of Kentucky, and a Doctor of Letters' degree from Asbury College; and

WHEREAS, Custer Burnam Reynolds's passion for education was also realized through his career as a public school teacher, and as the principal of Fairfield High School in Ohio, and of DeSoto County High School in Florida; and

WHEREAS, Custer Burnam Reynolds's passion for education was furthermore realized through his participation in academia serving as the Academic Dean and Vice President for Academic Affairs at Asbury College from 1966 through 1973; as Director of Teacher Education; as Chairman of the Division of Education and Psychology; and by serving on the Kentucky Commission of Secondary Schools of the Southern Association of Colleges and Schools and the National Council for Accreditation of Teacher Education's national review board; and

WHEREAS, Custer Burnam Reynolds gave of his time serving as director of the United Way Campaign for the Bluegrass, and gave of his time to assist Morehead State University where he served as the national chair of the Fund Raising Committee for Morehead State University in 1990, and served as the President of the Alumni Association of Morehead State University; and

WHEREAS, Custer Burnam Reynolds was distinguished by Morehead State University by his induction into the Morehead State University Athletic Hall of Fame and in the Morehead Alumni Hall of Fame, and as Morehead Alumnus of the Year, 1972; and

WHEREAS, Custer Burnam Reynolds served God in the capacity of a lay minister and was a faithful and active member of the Wilmore Free Methodist Church; and

WHEREAS, Custer Burnam Reynolds was the loving husband for 59 years of Helen Reynolds, who preceded him in death; and

WHEREAS, Custer Burnam Reynolds was the loving father to Dr. Burnam Reynolds; and

WHEREAS, Custer Burnam Reynolds was the pride-filled grandfather of three grandchildren; and

WHEREAS, Custer Burnam Reynolds passed from this world on October 8, 2004;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The House of Representatives does hereby express its most profound sense of sorrow to the family and friends of Custer Burnam Reynolds in the event of his passing and acknowledges that his contributions in education, academia, and matters of spirituality were manifold and extraordinary and most worthy of recording in this Resolution.

Section 2. When the House of Representatives adjourns this day, it shall do so in respect and honor of Custer Burnam Reynolds.

Section 3. The Clerk of the House of Representatives is directed to transmit a copy of this Resolution to Dr. Burnam W. Reynolds, 300 McCauley Road, Wilmore, Kentucky 40390.

There being no objection, **HR 14** was adopted.

Representative Graham moved the adoption of the following **Legislative Citation No. 2**.

The House of Representatives of the Commonwealth of Kentucky hereby recognizes and honors Shirley Brown as this outstanding public servant retires on October 30, 2004, from her post as the City Clerk of Frankfort, Kentucky, after having served the citizens of this community with distinction over the course of her tenure, which began in January, 1997. Having first served the citizens of Frankfort in 1968 when she began working as an administrative aide in the Frankfort Police Department, she has labored with great diligence in various capacities throughout the past thirty-six years and has earned the utmost respect and

affection of those with whom she has served. Inasmuch as she has put forth tremendous effort and the utmost integrity throughout her service in city government, the members of this august body are delighted to join Representative Derrick W. Graham in expressing deep appreciation to Shirley Brown for a job well-done and in extending warmest wishes for a productive and rewarding retirement. Done in Frankfort, Kentucky, this sixth day of October, in the year two thousand and four.

Legislative Citation No. 2 was adopted without objection.

Representative Adkins moved to suspend the rules to allow the House to recess until 5:00 p.m. Agreed.

Recess

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Representative Adkins moved to suspend the rules to allow the House to recess until 10:00 p.m. Agreed.

Recess

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Representative Adkins moved that the rules be suspended for the Introduction of Bills and Resolutions and Report of Committees. Agreed.

Introduction of Bills and Resolutions (Continued)

HB 4, by Representative Draud: AN ACT relating to the establishment and funding of Health initiatives, making an appropriation therefor, and declaring an emergency.

HB 5, by Representatives Moberly, Pasley, Richards, and Adkins: AN ACT relating to an electronic health network and declaring an emergency.

HB 6, by Representatives Pasley, Moberly, Adkins, and Richards: AN ACT relating to medical errors.

HR 15, by Representative Hoffman: A RESOLUTION to honor and commend the retired teachers of the Commonwealth.

HR 16, by Representative Ballard: A RESOLUTION adjourning the House of Representatives in loving memory and honor of Frederick E. Nichols.

Reference of Bills and Resolutions

The Clerk reported that the Committee on Committees has referred the following Bills and Resolutions:

Appropriations and Revenue: **HB 4, 5, 6**

House Floor: **HR 11, 12, 15, 16**

Motions, Petitions, and Communications (Continued)

The following member filed a request to have his name added as co-sponsor of a Bill:

HB 2, Representative Baugh

Announcements

The following meetings were announced:

Majority Caucus - 7:45 p.m., Supreme Court Chambers

Committee on Appropriations and Revenue - upon adjournment of Majority Caucus, Room 149

Committee on Appropriations and Revenue - 11:00 a.m., Thursday, October 14, 2004

Adjournment

Representative Adkins moved that when the House does adjourn it does so until 1:00 p.m., Thursday, October 14, 2004.
Agreed.

Representative Adkins moved that the House adjourn.

The motion that the House adjourn until 1:00 p.m., Thursday, October 14, 2004, was adopted by voice vote.

THURSDAY, OCTOBER 14, 2004
EIGHTH LEGISLATIVE DAY

The House was called to order by Speaker Richards.

Prayer by Reverend K. L. Moore, First Baptist Church, Frankfort, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Farmer, Mobley, and Walton.

Representative Ballard moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Ballard moved that the reading of the Journal of October 13, 2004, be dispensed with and the same approved. Agreed.

Representative Ballard moved that the Rules be suspended for the purpose of making a motion concerning co-sponsors. Agreed.

Representative Ballard moved that all properly filed co-sponsor requests be approved. Agreed.

Representative Collins moved to suspend the rules and to grant floor privileges to a special guest. Agreed.

Representative Weaver conducted a Silver Star Award ceremony for Mr. Ronald Blair.

Introduction of Bills and Resolutions

HR 17, by Representatives Jenkins, Marzian, Miller, Riggs, Horlander, Meeks, De. Butler, Wayne, Stein, P. Clark, Palumbo, Coleman, Westrom, Crenshaw, Burch, and L. Clark: A RESOLUTION encouraging the Secretary of the Kentucky Cabinet for Health and Family Services to maintain Eastern State Hospital and Central State Hospital in their communities.

Reference of Bills and Resolutions

The Clerk reported that the Committee on Committees has referred the following Bill:

State Government: **HB 3**

Representative Adkins stated that when the House does recess it does so for an hour and one-half.

Motion, Petitions, and Communications

Representative Hoffman moved that the rules be suspended to act on a Resolution. Agreed.

Representative Hoffman moved the adoption of the following **HR 15**:

HR 15, A RESOLUTION to honor and commend the retired teachers of the Commonwealth.

WHEREAS, teaching is a noble profession; and

WHEREAS, the satisfaction of teachers is based not on compensation or benefits, but on the positive influences they have on the children they instruct; and

WHEREAS, teachers follow a calling of the mind as well as a calling of the heart; and

WHEREAS, teachers share their love of learning with their students and labor for the success of all their students; and

WHEREAS, teachers create exciting classrooms and guide and direct the energy of their students so that they might learn and grow; and

WHEREAS, teachers touch the lives of their students and impact the future through those students; and

WHEREAS, teachers serve as surrogate parents, mentors, role models, and heroes; and

WHEREAS, many teachers have left a legacy of teaching that will long influence the quality of life in the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. This honorable body recognizes the contributions made by all retired teachers and expresses its sincere gratitude and appreciation for the work they have done to better the lives of the citizens of this Commonwealth.

There being no objection, **HR 15** was adopted.

The roll call was opened for co-sponsors and on the roll call on **HR 15** the vote was: **Yeas 90**. (See October 14, 2004, roll call to show co-sponsors on **HR 15-Appendix**.)

Representative Riner moved that the rules be suspended to introduce and to act on Resolutions. Agreed.

Introduction of Bills and Resolutions (Continued)

HR 19, by Representative Riner: A RESOLUTION recognizing October as Godly Women Heroes Month in honor of Professor Wangari Mutha Maathai upon the occasion of her receipt of the Nobel Peace Prize.

Motions, Petitions, and Communications (Continued)

Representative Riner moved the adoption of the following **HR 19**:

HR 19, A RESOLUTION recognizing October as Godly Women Heroes Month in honor of Professor Wangari Mutha Maathai upon the occasion of her receipt of the Nobel Peace Prize.

WHEREAS, it is the efforts of the tireless and dedicated servants that transform the world; and

WHEREAS, Professor Wangari Mutha Maathai is such a dedicated servant of God; and

WHEREAS, Professor Wangari Mutha Maathai's vision has encompassed family, as the devoted mother of three children, and the grand issues of gender, ecology, democracy, and Christianity; and

WHEREAS, Professor Wangari Mutha Maathai has led a life of "firsts," having been the first Kenyan woman to earn a Masters in Biological Science, the first Kenyan woman to be a lecturer at her university, and the first Kenyan woman to be chair of her department; and

WHEREAS, Professor Wangari Mutha Maathai was not satisfied to be a ground-breaker simply in her own life, but broadened her vision to encompass women in general and the larger issues confronting Kenya; and

WHEREAS, Professor Wangari Mutha Maathai founded the Green Belt Movement in 1977, a grassroots movement that focused on efforts by women to prevent deforestation and desertification; and

WHEREAS, Professor Wangari Mutha Maathai's efforts to preserve Kenya's ecology and to reforest the land focused on the role of women, her efforts led her to become an advocate of women's rights and Chair of the National Council of Women, Kenya, from 1981 to 1987; and

WHEREAS, Professor Wangari Mutha Maathai's vision became an even larger one of sustainable economic development and democracy for Kenya, leading Doctor Maathai to protest in the cause of peace, democracy, and economic development in Kenya, at great physical risk in a time of oppressive rule by a wicked government; and

WHEREAS, Professor Wangari Mutha Maathai's vision and sacrifice have been recognized by the Nobel Committee in their award to her of the Nobel Peace Prize, a culminating "first" as she is the first African woman to win the Peace Prize; and

WHEREAS, Dr. Maathai's servant heart and love for the Lord Jesus Christ have been recognized by the pastors she has accompanied when making visits to pray for and to encourage those in great spiritual and physical need; and

WHEREAS, Professor Wangari Mutha Maathai has followed God's will for her life through one sustained movement designed to liberate women, preserve the balance of nature, ensure development in the future, and bring a faith-based democracy recognizing God as the author of all civil and political liberties; and

WHEREAS, Professor Wangari Mutha Maathai's vision, bravery, and struggle give glory to Almighty God, inspiration to His people, and edification to his creation;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The House of Representatives does hereby recognize October as Godly Women Heroes month in honor of Professor Wangari Mutha Maathai upon the occasion of her receipt of the Nobel Peace Prize. We wish Professor Maathai God's richest blessings in all her future endeavors to bring his light, his life, and peace to the nations of the world.

Section 2. Prior to our National Day of Thanksgiving on the 25th day of November in the year of our Lord Two Thousand Four, the Clerk of the House of Representatives is hereby directed to transmit a copy of this Resolution to Dr. Wangari Mutha Maathai for presentation by The General Secretariat, All African Conference of Churches, Waiyaki Way, P.O. Box 14205, 00800 Westlands, Nairobi, Kenya.

There being no objection, **HR 19** was adopted.

The roll call was opened for co-sponsors and on the roll call on **HR 19** the vote was: **Yeas 88**. (See October 14, 2004, roll call to show co-sponsors on **HR 19-Appendix**.)

Introduction of Bills and Resolutions (Continued)

HR 18, by Representative Riner: A RESOLUTION honoring Dr. Timothy Njoya.

Motions, Petitions, and Communications (Continued)

Representative Riner moved the adoption of the following **HR 18**:

HR 18, A RESOLUTION honoring Dr. Timothy Njoya.

WHEREAS, Dr. Timothy Njoya was born on April 7, 1941, to Njoya and Wandia in Ngoru village in the Nyeri District in Kenya, Africa; and

WHEREAS, being born during a time of occupation, Dr. Timothy Njoya became involved in the Kenyan independence movement called the Mau Mau Uprising; and

WHEREAS, Dr. Timothy Njoya realized the value of education and of serving God and answered the call to preach the gospel of Jesus Christ in 1956, being ordained in 1967 by the Presbyterian Church of East Africa; and

WHEREAS, Dr. Timothy Njoya continued his education matriculating from Princeton University, securing both a master's degree and a doctorate; and

WHEREAS, Dr. Timothy Njoya has been an outspoken advocate for a multiparty system of democratic government, supporting the Kenyan constitution which ensures freedom of expression and association; and

WHEREAS, Dr. Timothy Njoya suffered sanctions from his government because of his support for a multiparty government; and

WHEREAS, not abiding his church's silence regarding the wicked government's oppression of the people, Dr. Timothy Njoya spoke out and was consequently censured by leaders within his church who put the fear of men in high places above the fear of God; and

WHEREAS, after being disciplined by the weak church leaders, Dr. Timothy Njoya continued his campaign for a multiparty government and, submitting himself to physical peril, was instrumental in the Saba Saba multiparty demonstrations that would eventually lead to the first multiparty election in Kenya in 1992; and

WHEREAS, in an attempt to silence Dr. Timothy Njoya, an agent of the government's regime made an assassination attempt in a public worship service, leaving him unconscious; and

WHEREAS, the perpetrator of this crime later traveled 500 miles to confess his sin before Dr. Njoya's congregation where he was forgiven by the pastor and surrendered his life to the lordship of Jesus Christ; and

WHEREAS, Dr. Timothy Njoya has been used by God to stand for truth and righteousness and to oppose all forms of corruption, compromise, and injustice within the Church of Jesus Christ; and

WHEREAS, Dr. Timothy Njoya's fearless determination to stand for God's truth rather than submit to human doctrines of darkness and human institutions of oppression and injustice has helped to inspire a second Reformation in the Churches of Africa which examines more critically the Anglo style, culture, and worldview in search of a more Biblical, African model based on God's Word and the practices of the Early Church; and

WHEREAS, Dr. Timothy Njoya's love for God and mankind can be revealed by his statement that "Humans were created in God's image; therefore, they deserve dignity and respect; oppression and injustice are foreign to God's Kingdom's principles";

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The House of Representatives does hereby adjourn in honor of Dr. Timothy Njoya, a legendary champion of

democratic values and human rights, who has been a key figure in securing the benefits of democracy for his fellow Kenyans, as well as being a voice for those who suffer oppression within and without his home country of Kenya.

Section 2. The House of Representatives does hereby laud and congratulate Dr. Timothy Njoya for his lifelong crusade for democracy, human rights, and a fearless Church.

Section 3. The Clerk of the House of Representatives is directed to transmit a copy of this Resolution to Dr. Timothy Njoya, in the care of the Moderator of the Presbyterian Church of East Africa, Jitegemea House Muhoho Avenue South C, Post Office Box 48268, Nairobi, Kenya, prior to our National Day of Thanksgiving, the 25th Day of November, in the Year of Our Lord Two Thousand Four.

There being no objection, **HR 18** was adopted.

The roll call was opened for co-sponsors and on the roll call on **HR 18** the vote was: **Yeas 85**. (See October 14, 2004, roll call to show co-sponsors on **HR 18-Appendix**.)

Representative Ballard moved that the rules be suspended to act on a Resolution. Agreed.

Representative Ballard moved the adoption of the following **HR 16**:

HR 16, A RESOLUTION adjourning the House of Representatives in loving memory and honor of Frederick E. Nichols.

With deepest respect and admiration, we pay homage and tribute to Frederick E. Nichols, and we pause in silent reverence for his soul.

WHEREAS, Frederick E. Nichols was born on August 4, 1927, a native of Hopkins County, Kentucky, and he traversed these earthly bounds on August 17, 2004; and

WHEREAS, Frederick E. Nichols was the loving son of the late Earle M. and Opal Beshear Nichols; he was the devoted husband of the late Mary Evelyn Pollitte Nichols; he was the loving father of two sons, Gordon Earle Nichols of Brentwood, Tennessee, and Christopher R. Nichols of Nashville, Tennessee, and a daughter, Leigh Nichols Moore of Louisville; he was the proud grandfather of Henry Wallace Nichols, Laura Jeanne Nichols, and Robert Dawson Nichols of Brentwood, Tennessee, and Robert Wiley Moore II and Frederick McFadden Moore of Louisville; and he also leaves behind a loving brother-in-law, C. Edward Beshear of Dawson Springs; and

WHEREAS, Frederick E. Nichols graduated from Madisonville High School, the University of Kentucky School of Commerce, and the University of Kentucky Law School; and he was in private practice at the law firm of Nichols and Nichols in Madisonville from 1953 until 2003; and he served as city attorney for Dawson Springs for several years; and

WHEREAS, Frederick E. Nichols was a loyal member of the Democratic Party; he served his constituents from Hopkins County with pride and honor in the Kentucky House of Representatives from 1959 to 1961, and he represented the 6th District, encompassing Christian and Hopkins counties, in the Kentucky Senate from 1961 to 1963; and during his career as a public servant, we are reminded that ethics and integrity played a large part toward his achievement as an outstanding member of the Kentucky General Assembly; and

WHEREAS, Frederick E. Nichols was appointed legal counsel for the Kentucky Public Service Commission from 1964 to 1968; and in 1994, he served as a special justice of the Kentucky Supreme Court; and

WHEREAS, Frederick E. Nichols was a man for all seasons; he was a good friend to many and a prolific correspondent, providing his loving family and acquaintances with information about sports, history, politics, literary affairs, and all things occurring in and about his beloved Hopkins County; and

WHEREAS, it is with fond recollection that we remember Frederick E. Nichols, not only for his many accomplishments and friendships he made and sustained through the years, but also his compassion for and understanding of the common man, which he demonstrated daily; and

WHEREAS, the passing of Frederick E. Nichols has left a void that cannot be filled, and he is mourned across the length and breadth of the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The House of Representatives does hereby express its profound sense of sorrow upon the passing of Frederick E. Nichols, and extends to his family and many friends its most heartfelt sympathy.

Section 2. When the House of Representatives adjourns this day, it does so in loving memory and honor of Frederick E. Nichols.

Section 3. The Clerk of the House of Representatives is hereby directed to transmit a copy of this Resolution to Mr. Gordon E. Nichols, 6418 Arden Court, Brentwood, Tennessee 37037.

There being no objection, **HR 16** was adopted.

The roll call was opened for co-sponsors and on the roll call on **HR 16** the vote was: **Yeas 90**. (See October 14, 2004, roll call to show co-sponsors on **HR 16-Appendix**.)

Representative Nesler moved that the rules be suspended to act upon a Legislative Citation. Agreed.

Representative Nesler moved the adoption of the following **Legislative Citation No. 3**.

The House of Representatives of the Commonwealth of Kentucky does hereby adjourn this legislative day in loving memory and honor of Lou Ann Fowler Williamson and joins with Representative Fred Nesler in expressing deepest sympathy to the Williamson and Fowler Families and all who share in the profound loss on the passing of this esteemed citizen. The daughter of Roland and Joyce Fowler, she is survived by her loving parents; beloved husband, Edwin Williamson; cherished son, daughter and step-daughter, Joshua Barrett, Kendal Jo Felts, and Miranda Williamson; brothers, David Fowler, John Fowler and Brett Fowler; nephew, Adam Fowler; niece, Samantha Castillo; great-niece, Aurillia Castillo; and, a host of other family members, friends and loved ones. This beloved citizen, a 1981 graduate of Mayfield High School who attended beauty school in Murfreesboro, Tennessee; a dedicated homemaker who worked as a medical transcriptionist and generously cared for children in her home; a faithful member of His House Christian Church in Mayfield; and a devoted wife and mother who delighted in her family and was skilled at the art of cross-stitching, is remembered on this day for the many and generous contributions she made to her family and community. Lou Ann Fowler Williamson will be deeply missed by all those whose lives were touched by her remarkable presence. Done in Frankfort, Kentucky, this fourteenth day of October, in the year two thousand and four.

Legislative Citation No. 3 was adopted without objection.

Representative Adkins moved that the House recess until 4:30 p.m. Agreed.

Recess

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Representative Adkins moved that the rules be suspended for Report of Committees. Agreed.

Report of Committees

The Committee on Appropriations and Revenue reported **HB 1**, with Committee Substitute, and Committee Amendments attached thereto with the expression of opinion that the same should pass. Reported to the Committee on Rules.

The Committee Substitute to **HB 1** is as follows:

HB 1, AN ACT relating to employee benefits and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The General Assembly finds and declares that:

- (1) The contracts for the policies for group health care coverage provided pursuant to KRS 18A.225 for the period January 1, 2005, through December 31, 2005, were negotiated under a spending plan developed by the Governor, in the absence of a specific appropriation by the General Assembly;
- (2) The health plans proposed for public employees are detrimental to the morale of public employees and harm the Commonwealth's ability to attract and retain qualified employees;
- (3) The Governor issued a proclamation on October 4, 2004, convening the General Assembly for the sole purpose of considering the compensation, health insurance benefits, and retirement benefits of active and retired public employees, and to make an appropriation therefor; and
- (4) It is in the best interest of the Commonwealth to modify or replace the contracts for health care for the period January 1, 2005, to December 31, 2005, in order to provide adequate and affordable health coverage for employees of the Commonwealth.

Section 2. Notwithstanding KRS 18A.225, 45A.080, 45A.085, 45A.090, 45A.225 to 45A.290, or any other provision of KRS Chapter 45A to the contrary, the Finance and Administration Cabinet shall enter into negotiations with insurers having contracts with the Commonwealth for the period January 1, 2005, through December 31, 2005, to amend those contracts to provide health care coverage pursuant to KRS 18A.225 and as directed by Sections 3 and 4 of this Act for the period January 1,

2005, through December 31, 2005, on a fully-insured or self-insured basis or shall enter into negotiations and contracts with insurers as necessary to provide the coverage specified in Sections 3 and 4 of this Act on a fully-insured or self-insured basis for the period January 1, 2005, through December 31, 2005. The secretary of the Finance and Administration Cabinet shall provide an actuarial certification that the contract amounts are actuarially sound. Any contracts entered into or modified pursuant to this section shall be forwarded to the Legislative Research Commission.

Section 3. For the period January 1, 2005, through December 31, 2005, the policy or policies for group health care coverage provided pursuant to KRS 18A.225 shall contain three health plans which shall be named "Commonwealth Essential," "Commonwealth Enhanced," and "Commonwealth Premier."

- (1) The benefits provided under the Commonwealth Essential plan shall be as follows:
- (a) Outpatient services, which shall include physician or mental health provider office visits; diagnostic and allergy testing, allergy serum and injections; diabetes education and therapy; well child care; immunizations; injections; lab fees; X-rays; and mental health or chemical dependency services.
 1. The employee's cost for the services within the provider's network shall be no more than 25% of the cost per visit after meeting the deductible.
 2. The employee's cost for the services outside of the provider's network shall be no more than 50% of the cost after meeting the deductible.
 3. The employee's cost shall include all services performed on the same day at the same site;
- (b) Care in a hospital, which shall include coverage for provider services; inpatient care; semi-private room; transplant coverage, including kidneys, cornea, bone marrow, heart, liver, lungs, heart and lung, and pancreas; and mental health and chemical dependence services.
 1. The employee's cost for the services within the provider's network shall be no more than 25% of the cost after meeting the deductible.
 2. The employee's cost for the services outside of the provider's network shall be no more than 50% of the cost after meeting the deductible;
- (c) Diagnostic testing, which shall include laboratory tests; X-rays and other radiology or imaging services; and ultrasound and approved machine testing services performed for the purpose of diagnosing an illness or injury.
 1. The employee's cost for the services within the provider's network shall be no more than 25% of the cost after meeting the deductible.
 2. The employee's cost for the services outside of the provider's network shall be no more than 50% of the cost after meeting the deductible.
 3. The employee's cost shall include all services performed on the same day at the same site. Diagnostic testing performed in a physician's office in conjunction with an office visit shall be included in the employee's cost under paragraph (a) of this subsection for the office visit;
- (d) Ambulatory hospital and outpatient surgery services, which shall include outpatient surgery services, including biopsies, radiation therapy, renal dialysis, chemotherapy, and other outpatient services not listed under diagnostic testing performed in a hospital or other ambulatory center other than a physician's office.
 1. The employee's cost for the services within the provider's network shall be no more than 25% of the cost after meeting the deductible.
 2. The employee's cost for the services outside of the provider's network shall be no more than 50% of the cost after meeting the deductible;
- (e) Preventative care, which shall include an annual gynecological exam, routine physical, and early detection tests subject to age and periodicity limits.
 1. The employee's cost for the services within the provider's network shall be \$15 per office visit and no cost for the first \$400 in services during a calendar year. There shall be no cost for eligible immunizations.
 2. The employee's cost for the services outside of the provider's network shall be no more than 50% of the cost after meeting the deductible;
- (f) Emergency services, which shall include emergency room treatment, emergency room physician charges, urgent care center treatment, and ambulance services.
 1. The employee's cost for emergency room treatment within the provider's network shall be \$50 plus 25% of the cost after meeting the deductible. If the employee is admitted to the hospital, the \$50 copayment shall be waived.
 2. The employee's cost for emergency room services outside of the provider's network shall be \$50 plus 50% of the cost after meeting the deductible. If the employee is admitted to the hospital, the \$50 copayment shall be waived;
- (g) Maternity care, which shall include prenatal care; labor; delivery; postpartum care; and one ultrasound, subject to prior plan approval, per pregnancy.

1. The employee's cost for office visits within the provider's network shall be no more than 25% of the cost after meeting the deductible.
 2. The employee's cost for in-hospital care within the provider's network shall be no more than 25% of the cost after meeting the deductible.
 3. The employee's cost for all the services outside of the provider's network shall be no more than 50% of the cost after meeting the deductible;
- (h) Prescription drugs, which shall include drugs purchased from a pharmacy and through the mail-order program.
1. The employee's cost per 30-day supply from a pharmacy within the provider's network shall be 25% of the cost, except as follows:
 - a. Generic drugs shall have a minimum copayment of \$10 and a maximum copayment of \$25;
 - b. Preferred brand drugs shall have a minimum copayment of \$20 and a maximum copayment of \$50; and
 - c. Nonpreferred brand drugs shall have a minimum copayment of \$35 and a maximum copayment of \$100.
 2. The employee's cost per 30-day supply from a pharmacy outside of the provider's network shall be 25% of the cost, except as follows:
 - a. Generic drugs shall have a minimum copayment of \$10;
 - b. Preferred brand drugs shall have a minimum copayment of \$20; and
 - c. Nonpreferred brand drugs shall have a minimum copayment of \$35.
 3. The employee's cost per 90-day supply from the provider's mail-order supplier shall be equal to twice the amount determined under subparagraph 1. of this paragraph;
- (i) Audiometric services, which shall only be covered in conjunction with a disease, illness, or injury.
1. The employee's cost for services within the provider's network shall be no more than 25% of the cost after meeting the deductible.
 2. The employee's cost for services outside of the provider's network shall be no more than 50% of the cost after meeting the deductible;
- (j) Chiropractic services, which shall include up to 26 office visits per year, with no more than one visit per day.
1. The employee's cost for the office visits within the provider's network shall be no more than 25% of the cost after meeting the deductible.
 2. The employee's cost for office visits outside of the provider's network shall be no more than 50% of the cost after meeting the deductible;
- (k) Autism services, which shall include rehabilitative care, therapeutic care, and respite care up to a limit of \$500 monthly for children ages two through 21.
1. The employee's cost for services within the provider's network shall be no more than 25% of the cost after meeting the deductible.
 2. The employee's cost for services outside of the provider's network shall be no more than 50% of the cost after meeting the deductible;
- (l) Hospice care, which shall be subject to precertification by the plan and shall be covered the same as under the federal Medicare program;
- (m) Other covered services, which shall include durable medical equipment, prosthetic devices, home health limited to 60 visits per year, physical therapy limited to 30 visits per year, occupational therapy limited to 30 visits per year, cardiac rehabilitation therapy limited to 30 visits per year, speech therapy limited to 30 visits per year, and skilled nursing facility services limited to 30 days per year.
1. The employee's cost for services within the provider's network shall be no more than 25% of the cost after meeting the deductible.
 2. The employee's cost for services outside of the provider's network shall be no more than 50% of the cost after meeting the deductible;
- (n) The deductible applicable to services under this subsection shall be as follows:
1. For costs incurred within the provider's network, \$750 per year for a single plan and \$1,500 per year for a family plan; and
 2. For costs incurred outside of the provider's network, \$1,500 per year for a single plan and \$3,000 per year for a family plan;
- (o) For those services subject to the deductible, the plan shall cover all expenses after an employee has paid:
1. For services within the provider's network, a total annual cost of \$3,500 if a single plan or \$7,000 if a

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- family plan; and
- 2. For services outside of the provider's network, a total annual cost of \$7,000 if a single plan or \$14,000 if a family plan; and
- (p) There shall be no limit to the amount of covered services over an employee's lifetime.
- (2) The benefits provided under the Commonwealth Enhanced plan shall be as follows:
- (a) Outpatient services, which shall include physician or mental health provider office visits; diagnostic and allergy testing; allergy serum and injections; diabetes education and therapy; well child care; immunizations; injections; lab fees; X-rays; and mental health or chemical dependency services.
 - 1. The employee's cost for the services within the provider's network shall be \$15 per visit.
 - 2. The employee's cost for the services outside of the provider's network shall be no more than 40% of the cost after meeting the deductible.
 - 3. The employee's cost shall include all services performed on the same day at the same site;
- (b) Care in a hospital, which shall include coverage for provider services; inpatient care; semi-private room; transplant coverage, including kidneys, cornea, bone marrow, heart, liver, lungs, heart and lung, and pancreas; and mental health and chemical dependence services.
 - 1. The employee's cost for the services within the provider's network shall be no more than 20% of the cost after meeting the deductible.
 - 2. The employee's cost for the services outside of the provider's network shall be no more than 40% of the cost after meeting the deductible;
- (c) Diagnostic testing, which shall include laboratory tests; X-rays and other radiology or imaging services; and ultrasound and approved machine testing services performed for the purpose of diagnosing an illness or injury.
 - 1. The employee's cost for the services within the provider's network shall be no more than \$15 per visit.
 - 2. The employee's cost for the services outside of the provider's network shall be no more than 40% of the cost after meeting the deductible.
 - 3. The employee's cost shall include all services performed on the same day at the same site. Diagnostic testing performed in a physician's office in conjunction with an office visit shall be included in the employee's cost under paragraph (a) of this subsection for the office visit;
- (d) Ambulatory hospital and outpatient surgery services, which shall include outpatient surgery services, including biopsies, radiation therapy, renal dialysis, chemotherapy, and other outpatient services not listed under diagnostic testing performed in a hospital or other ambulatory center other than a physician's office.
 - 1. The employee's cost for the services within the provider's network shall be no more than 20% of the cost after meeting the deductible.
 - 2. The employee's cost for the services outside of the provider's network shall be no more than 40% of the cost after meeting the deductible;
- (e) Preventative care, which shall include an annual gynecological exam, routine physical, and early detection tests, subject to age and periodicity limits.
 - 1. There shall be no cost to the employee for the services within the provider's network for the first \$400 in services during a calendar year. There shall be no cost for eligible immunizations.
 - 2. The employee's cost for the services outside of the provider's network shall be no more than 40% of the cost after meeting the deductible;
- (f) Emergency services, which shall include emergency room treatment, emergency room physician charges, and ambulance services.
 - 1. The employee's cost for emergency room services within the provider's network shall be \$50 plus 20% of the cost after meeting the deductible. If the employee is admitted to the hospital, the \$50 copayment shall be waived.
 - 2. The employee's cost for emergency room services outside of the provider's network shall be \$50 plus 40% of the cost after meeting the deductible. If the employee is admitted to the hospital, the \$50 copayment shall be waived;
- (g) Urgent care center treatment, which shall include treatment at a facility for urgent care other than a hospital.
 - 1. The employee's cost for urgent care center treatment within the provider's network shall be \$25 plus 20% of the cost after meeting the deductible.
 - 2. The employee's cost for urgent care center treatment outside the provider's network shall be \$25 plus 40% of the cost after meeting the deductible;
- (h) Maternity care, which shall include prenatal care; labor; delivery; postpartum care; and one ultrasound, subject to

- prior plan approval, per pregnancy.
1. The employee's cost for office visits within the provider's network shall be \$15.
 2. The employee's cost for in-hospital care within the provider's network shall be no more than 20% of the cost after meeting the deductible.
 3. The employee's cost for all the services outside of the provider's network shall be no more than 40% of the cost after meeting the deductible;
- (i) Prescription drugs, which shall include drugs purchased from a pharmacy and through the mail-order program.
1. The employee's cost per 30-day supply from a pharmacy within the provider's network shall be \$10 per generic prescription, \$15 per preferred brand prescription, and \$30 per nonpreferred brand prescription. The copayments shall be reduced to \$5 per generic prescription, \$7.50 per preferred brand prescription, and \$15 per nonpreferred brand prescription after the 75th prescription.
 2. The employee's cost per 90-day supply from the provider's mail-order supplier shall be equal to twice the amount determined under subparagraph 1. of this paragraph;
- (j) Audiometric services, which shall only be covered in conjunction with a disease, illness, or injury.
1. The employee's cost for services within the provider's network shall be no more than 20% of the cost after meeting the deductible.
 2. The employee's cost for services outside the provider's network shall be no more than 40% of the cost after meeting the deductible;
- (k) Chiropractic services, which shall include up to 26 office visits per year, with no more than one visit per day.
1. The employee's cost for the office visits within the provider's network shall be \$15 per visit.
 2. The employee's cost for office visits outside of the provider's network shall be no more than 40% of the cost after meeting the deductible;
- (l) Autism services, which shall include rehabilitative care, therapeutic care, and respite care up to a limit of \$500 monthly for children ages two through 21.
1. The employee's cost for services within the provider's network shall be no more than \$15 per visit.
 2. The employee's cost for services outside of the provider's network shall be no more than 40% of the cost after meeting the deductible;
- (m) Hospice care, which shall be subject to precertification by the plan and shall be covered the same as under the federal Medicare program;
- (n) Other covered services, which shall include durable medical equipment, prosthetic devices, home health limited to 60 visits per year, physical therapy limited to 30 visits per year, occupational therapy limited to 30 visits per year, cardiac rehabilitation therapy limited to 30 visits per year, speech therapy limited to 30 visits per year, and skilled nursing facility services limited to 30 days per year.
1. The employee's cost for services within the provider's network shall be no more than 20% of the cost after meeting the deductible.
 2. The employee's cost for services outside of the provider's network shall be no more than 40% of the cost after meeting the deductible;
- (o) The deductible applicable to services under this subsection shall be as follows:
1. For costs incurred within the provider's network, \$250 per year for a single plan and \$500 per year for a family plan; and
 2. For costs incurred outside of the provider's network, \$500 per year for a single plan and \$1,000 per year for a family plan;
- (p) For those services subject to the deductible, the plan shall cover all expenses after an employee has paid:
1. For services within the provider's network, a total annual cost of \$1,250 if a single plan or \$2,500 if a family plan; and
 2. For services outside of the provider's network, a total annual cost of \$2,500 if a single plan or \$5,000 if a family plan; and
- (q) There shall be no limit to the amount of covered services over an employee's lifetime.
- (3) The benefits provided under the Commonwealth Premier plan shall be as follows:
- (a) Outpatient services, which shall include physician or mental health provider office visits; diagnostic and allergy testing; allergy serum and injections; diabetes education and therapy; well child care; immunizations; injections; lab fees; X-rays; and mental health or chemical dependency services.
1. The employee's cost for the services within the provider's network shall be \$10 per visit.
 2. The employee's cost for the services outside of the provider's network shall be no more than 30% of the cost

after meeting the deductible.

3. The employee's cost shall include all services performed on the same day at the same site;
- (b) Care in a hospital, which shall include coverage for provider services; inpatient care; semi-private room; transplant coverage, including kidneys, cornea, bone marrow, heart, liver, lungs, heart and lung, and pancreas; and mental health and chemical dependence services.
 1. The employee's cost for the services within the provider's network shall be no more than 10% of the cost after meeting the deductible.
 2. The employee's cost for the services outside of the provider's network shall be no more than 30% of the cost after meeting the deductible;
- (c) Diagnostic testing, which shall include laboratory tests; X-rays and other radiology or imaging services; and ultrasound and approved machine testing services performed for the purpose of diagnosing an illness or injury.
 1. The employee's cost for the services within the provider's network shall be \$10 per visit.
 2. The employee's cost for the services outside of the provider's network shall be no more than 30% of the cost after meeting the deductible.
 3. The employee's cost shall include all services performed on the same day at the same site. Diagnostic testing performed in a physician's office in conjunction with an office visit shall be included in the employee's cost under paragraph (a) of this subsection for the office visit;
- (d) Ambulatory hospital and outpatient surgery services, which shall include outpatient surgery services, including biopsies, radiation therapy, renal dialysis, chemotherapy, and other outpatient services not listed under diagnostic testing performed in a hospital or other ambulatory center other than a physician's office.
 1. The employee's cost for the services within the provider's network shall be no more than 10% of the cost after meeting the deductible.
 2. The employee's cost for the services outside of the provider's network shall be no more than 30% of the cost after meeting the deductible;
- (e) Preventative care, which shall include an annual gynecological exam, routine physical, and early detection tests, subject to age and periodicity limits.
 1. There shall be no cost to the employee for the services within the provider's network for the first \$400 in services during a calendar year. There shall be no cost for eligible immunizations.
 2. The employee's cost for the services outside of the provider's network shall be no more than 30% of the cost after meeting the deductible;
- (f) Emergency services, which shall include emergency room treatment, emergency room physician charges, and ambulance services.
 1. The employee's cost for emergency room treatment within the provider's network shall be \$50 plus 10% of the cost after meeting the deductible. If the employee is admitted to the hospital, the \$50 copayment shall be waived.
 2. The employee's cost for emergency room services outside of the provider's network shall be \$50 plus 30% of cost after meeting the deductible. If the employee is admitted to the hospital, the \$50 copayment shall be waived;
- (g) Urgent care center treatment, which shall include treatment at a facility for urgent care other than a hospital.
 1. The employee's cost for urgent care center treatment within the provider's network shall be \$25 plus 20% of the cost after meeting the deductible.
 2. The employee's cost for urgent care center treatment outside of the provider's network shall be \$25 plus 40% of the cost after meeting the deductible;
- (h) Maternity care, which shall include prenatal care; labor; delivery; postpartum care; and one ultrasound, subject to prior plan approval, per pregnancy.
 1. The employee's cost for office visits within the provider's network shall be \$10 per visit.
 2. The employee's cost for in-hospital care within the provider's network shall be no more than 10% of the cost after meeting the deductible.
 3. The employee's cost for all the services outside of the provider's network shall be no more than 30% of the cost after meeting the deductible;
- (i) Prescription drugs, which shall include drugs purchased from a pharmacy and through the mail-order program.
 1. The employee's cost per 30-day supply from a pharmacy within the provider's network shall be \$10 per generic prescription, \$15 per preferred brand prescription, and \$30 per nonpreferred brand prescription. The copayments shall be reduced to \$5 per generic prescription, \$7.50 per preferred brand prescription, and \$15 per nonpreferred brand prescription after the 75th prescription.

2. The employee's cost per 90-day supply from the provider's mail-order supplier shall be equal to twice the amount determined under subparagraph 1. of this paragraph;
- (j) Audiometric services, which shall only be covered in conjunction with a disease, illness, or injury.
 1. The employee's cost for services within the provider's network shall be \$10 per visit.
 2. The employee's cost for services outside of the provider's network shall be no more than 30% of the cost after meeting the deductible;
- (k) Chiropractic services, which shall include up to 26 office visits per year with no more than one visit per day.
 1. The employee's cost for the office visits within the provider's network shall be \$10 per visit.
 2. The employee's cost for office visits outside of the provider's network shall be no more than 30% of the cost after meeting the deductible;
- (l) Autism services, which shall include rehabilitative care, therapeutic care, and respite care up to a limit of \$500 monthly for children ages two through 21.
 1. The employee's cost for services within the provider's network shall be \$10 per visit.
 2. The employee's cost for services outside of the provider's network shall be no more than 30% of the cost after meeting the deductible;
- (m) Hospice care, which shall be subject to precertification by the plan and shall be covered the same as under the federal Medicare program;
- (n) Other covered services, which shall include durable medical equipment, prosthetic devices, home health limited to 60 visits per year, physical therapy limited to 30 visits per year, occupational therapy limited to 30 visits per year, cardiac rehabilitation therapy limited to 30 visits per year, speech therapy limited to 30 visits per year, and skilled nursing facility services limited to 30 days per year.
 1. The employee's cost for services within the provider's network shall be no more than 10% of the cost after meeting the deductible.
 2. The employee's cost for services outside of the provider's network shall be no more than 30% of the cost after meeting the deductible;
- (o) The deductible applicable to services under this subsection shall be as follows:
 1. For costs incurred within the provider's network, \$250 per year for a single plan and \$500 per year for a family plan; and
 2. For costs incurred outside of the provider's network, \$500 per year for a single plan and \$1,000 per year for a family plan;
- (p) For those services subject to the deductible, the plan shall cover all expenses after an employee has paid:
 1. For services within the provider's network, a total annual cost of \$1,000 if a single plan or \$2,000 if a family plan; and
 2. For services outside of the provider's network, a total annual cost of \$2,000 if a single plan or \$4,000 if a family plan; and
- (q) There shall be no limit to the amount of covered services over an employee's lifetime.
- (4) The provider networks for a geographic region shall be substantially similar to the networks available in that geographic region under the policy or policies for the state health insurance plan for the period January 1, 2004, through December 31, 2004.

Section 4. (1) The state shall contribute the difference between the premium rate and the employee contribution.

- (a) The employee contribution for nonsmokers shall be as follows:

	Commonwealth	Commonwealth	Commonwealth
Level of Coverage	Essential	Enhanced	Premier
Single	Not offered	\$0.00	\$18.20
Parent Plus	\$55.00	\$114.00	\$170.38
Couple	\$259.53	\$357.72	\$398.67
Family	\$320.14	\$429.24	\$474.74

- (b) The employee contribution for smokers shall be as follows:

	Commonwealth	Commonwealth	Commonwealth
Level of Coverage	Essential	Enhanced	Premier
Single	Not offered	\$15.00	\$33.20
Parent Plus	\$85.00	\$144.00	\$200.38

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Couple	\$289.53	\$387.72	\$428.67
Family	\$350.14	\$459.24	\$504.74

(2) In addition to the contribution toward couple or family coverage under subsection (1) of this section, the Personnel Cabinet shall permit married couples who are both eligible to participate in the state health insurance plan to be covered under one health benefit plan and to apply the contribution for single coverage for both individuals toward the cost of that plan.

(4) Except as provided in KRS 18A.225(13), for employees of the state and local school boards who are eligible to participate in the state health insurance program and who waive coverage under the program, the state shall contribute \$234 per month to the employee's flexible spending account.

SECTION 5. A NEW SECTION OF KRS CHAPTER 18A IS CREATED TO READ AS FOLLOWS:

The secretary of the Personnel Cabinet shall submit to the Advisory Committee of State Health Insurance Subscribers established in KRS 18A.225, at least thirty (30) days prior to issuing requests for proposals, the health benefit plans that will be submitted to carriers. The advisory committee shall submit in writing to the secretary the committee's approval of the plans or its recommendations on changes to the plans prior to the issuance of requests for proposals. The advisory committee shall advise the secretary on:

- (1) Health insurance benefit options that should be included in the program;**
- (2) Procedures for soliciting bids or requesting proposals for contracts from carriers for the program;**
- (3) The implementation, maintenance, and administration of the health insurance benefits under the program; and**
- (4) The development of a uniform prescription drug formulary that contains fair and reasonable standards and procedures for patient access to medically necessary alternatives to the formulary and patient choice of higher-cost alternatives to the formulary, and that ensures that discounts negotiated with drug manufacturers are passed to the program.**

Section 6. Each retired teacher eligible for the increase under KRS 161.620(2) shall receive:

- (1) An additional cost-of-living increase of eight-tenths of one percent (.8%) that shall apply retroactively to July 1, 2004; and
- (2) Effective July 1, 2005, an additional cost-of-living increase of seven-tenths of one percent (.7%).

Section 7. Notwithstanding KRS 61.565, the employer contribution rate for an entity participating in the Kentucky Employees Retirement System shall be as follows:

- (1) From July 1, 2004, through June 30, 2005, the contribution rates shall be no more than 5.89 percent for nonhazardous duty employees, 18.84 percent for hazardous duty employees, and 21.58 percent for employees of the State Police Retirement System; and
- (2) From July 1, 2005, through June 30, 2006, the employer contribution rate shall be no more than 5.89 percent for nonhazardous duty employees, 18.84 percent for hazardous duty employees, and 21.58 percent for employees of the State Police Retirement System.

Section 8. Notwithstanding KRS 18A.355(1):

- (1) A cost-of-living adjustment of two percent is provided in fiscal year 2004-2005 on the base salary or wages of each eligible state employee on his or her anniversary date and shall apply retroactively to July 1, 2004; and
- (2) Effective January 1, 2005, an additional cost-of-living adjustment of one percent is provided on the base salary or wages of each eligible permanent full-time state employee.

Section 9. Notwithstanding KRS 157.420(2), all certified and classified staff employed by local boards of education shall receive:

- (1) A cost-of-living adjustment of not less than two percent in fiscal year 2004-2005 and shall apply retroactively to July 1, 2004; and
- (2) Effective January 1, 2005, an additional cost-of-living adjustment of one percent is provided.

The cost-of-living adjustments shall be in addition to the normal rank and experience increases attained by certified staff and in addition to any salary increase a classified employee might obtain due to additional experience or job classification.

Section 10. PERSONNEL CABINET. There is hereby appropriated from the General Fund to the Personnel Cabinet \$95,332,500 in fiscal year 2004-2005 to provide the employer contribution for health insurance, to provide the contribution to the flexible spending account for employees waiving coverage, and the cost-of-living adjustment as provided in this Act. Included in the above amount is \$11,432,500 in fiscal year 2004-2005 to provide funding for the additional cost of health insurance benefits provided in this Act. Included in the above amounts is \$16,300,000 in fiscal year 2004-2005 to carry out the provisions of this Act related to the cost-of-living increase for state employees.

Section 11. DEPARTMENT OF EDUCATION. There is hereby appropriated from the General Fund to the Department of Education \$397,677,000 in fiscal year 2004-2005 to provide the employer contribution for health insurance, to provide the contribution to the flexible spending account for employees waiving coverage, and to provide funding for the additional cost-of-living adjustment as provided in this Act. Included in the above amounts is \$56,977,000 in fiscal year 2004-2005 to provide funding for the additional health insurance benefits as provided in this Act. Included in the above amounts is \$36,600,000 in fiscal

year 2004-2005 to carry out the provisions of this Act related to the cost of living increase for certified and classified employees of local boards of education. If the costs for health insurance for employees of local school districts exceed the level of appropriated funds, the Governor is authorized to expend available General Fund moneys to fulfill this provision.

Section 12. KENTUCKY TEACHERS' RETIREMENT SYSTEM. To carry out the provisions of this Act, there is appropriated from the General Fund to the Kentucky Teachers' Retirement System \$3,996,200 for fiscal year 2004-2005 and \$7,706,900 for fiscal year 2005-2006 to provide the cost-of-living increase. In addition, there is appropriated \$2,123,000 for fiscal year 2004-2005 for an additional subsidy for retired teachers who choose couple, family, or parent-plus coverage.

Section 13. KENTUCKY RETIREMENT SYSTEMS. To carry out the provisions of this Act, there is appropriated from the General Fund to the Kentucky Retirement Systems \$3,773,000 for fiscal year 2004-2005 to provide a subsidy for retired members who choose couple, family, or parent-plus coverage.

Section 14. JUDICIAL BRANCH. There is hereby appropriated from the General Fund to the Judicial Branch \$1,467,400 in fiscal year 2004-2005 as a supplemental health insurance appropriation. This is in addition to the amounts appropriated in House Bill 396 of the 2004 Regular Session of the General Assembly.

Section 15. LEGISLATIVE BRANCH. There is hereby appropriated from the General Fund to the Legislative Branch \$268,500 in fiscal year 2004-2005 and \$268,500 in fiscal year 2005-2006 as a supplemental health insurance appropriation. This is in addition to the amounts appropriated in House Bill 397 of the 2004 Regular Session of the General Assembly.

Section 16. The provisions of this Act shall be effective, KRS 6.350 to the contrary notwithstanding.

Section 17. In order to implement the changes to the state group health insurance plan effective January 1, 2005, an emergency is declared to exist, and this Act takes effect upon its passage and approval by the Governor or upon its otherwise becoming a law.

The Committee Amendment No. 1 to the Committee Substitute to **HB 1** is as follows:

HB 1, On page 2, line 13, after "X-rays;" by deleting "and";

On page 2, line 13, before the period, by inserting "; diagnostic gynecological exams; diagnostic physicals; and diagnostic tests";

On page 3, line 22, after "limits." by deleting the paragraph return and inserting a space in lieu thereof;

On page 3, line 23, by deleting "1." and the tab;

On page 3, line 24, after "be" by deleting "\$15 per office visit and" and inserting "at" in lieu thereof and by deleting "\$400" and inserting "\$200" in lieu thereof;

On page 3, line 25, by deleting the "." and inserting a ";" in lieu thereof;

On page 3, lines 26 and 27, by deleting the language in its entirety;

On page 5, lines 3 through 9, by deleting the language in its entirety;

On page 5, line 10, by deleting "3." and inserting "2." in lieu thereof;

On page 5, line 11, after "be" by inserting "25% of the cost, except that the minimum and maximum copayments shall be";

On page 6, line 18, after the ";" by deleting "and";

On page 6, line 20, after the ";" by inserting "and";

On page 6, between lines 20 and 21, by inserting the following:

"3. The member's costs incurred for services within the provider's network shall be counted toward the out-of-network deductible;";

On page 6, line 24, by deleting "and";

On page 6, between lines 26 and 27, by inserting the following:

"3. The total annual costs for services within the provider's network shall be included to determine whether the member meets the total annual costs requirement for services outside the provider's network; and";

On page 7, line 7, after "X-rays;" by deleting "and";

On page 7, line 7, before the period, by inserting "; diagnostic gynecological exams; diagnostic physicals; and diagnostic tests";

On page 7, line 9, by deleting "\$15" and inserting "\$10" in lieu thereof;

On page 7, line 26, by deleting "\$15" and inserting "\$10" in lieu thereof;

On page 8, lines 17 through 19, by deleting the language after "1." in its entirety and inserting the following in lieu thereof:

"The employee's cost for the services shall be a \$10 copayment per office visit. There shall be a maximum benefit of \$400 in preventative services at no cost to the employee per year.";

On page 9, line 8, after "be" by deleting the remaining language on that line and inserting "\$20" in lieu thereof;

On page 9, line 9, by deleting "deductible";

On page 9, line 11, by deleting "\$25 plus";

On page 9, line 16, by deleting "\$15" and inserting "\$10" in lieu thereof;

On page 9, line 27, by deleting "\$7.50" and inserting "\$10" in lieu thereof;

On page 9, line 27, by deleting "\$15" and inserting "\$20" in lieu thereof;

On page 10, line 14, by deleting "\$15" and inserting "\$10" in lieu thereof;

On page 10, line 20, by deleting "\$15" and inserting "\$10" in lieu thereof;

On page 11, line 10, after the ";" by deleting "and";

On page 11, line 12, after the ";" by inserting "and";

On page 11, between lines 12 and 13, by inserting the following:

"3. The member's costs incurred for services within the provider's network shall be counted toward the out-of-network deductible;";

On page 11, line 16, by deleting "and";

On page 11, between lines 18 and 19, by inserting the following:

"3. The total annual costs for services within the provider's network shall be included to determine whether the member meets the total annual costs requirement for services outside the provider's network; and";

On page 11, line 26, after "X-rays;" by deleting "and";

On page 11, line 26, before the period, by inserting "; diagnostic gynecological exams; diagnostic physicals; and diagnostic tests";

On page 13, lines 9 through 11, by deleting the language after "1." in its entirety and inserting the following in lieu thereof:

"The employee's cost for the services shall be a \$10 copayment per office visit. There shall be a maximum benefit of \$400 in preventative services at no cost to the employee per year.";

On page 13, line 27, after "be" by deleting the remaining language on that line and by inserting "\$20" in lieu thereof;

On page 14, line 1, by deleting "deductible";

On page 14, line 3, by deleting "\$25 plus 40%" and inserting "30%" in lieu thereof;

On page 14, line 19, by deleting "\$7.50" and inserting "\$10" in lieu thereof;

On page 14, line 19, by deleting "\$15" and inserting "\$20" in lieu thereof;

On page 16, line 2, after the ";" by deleting "and";

On page 16, line 4, after the ";" by inserting "and";

On page 16, between lines 4 and 5, by inserting the following:

"3. The member's costs incurred for services within the provider's network shall be counted toward the out-of-network deductible;";

On page 16, line 8, by deleting "and";

On page 16, between lines 10 and 11, by inserting the following:

"3. The total annual costs for services within the provider's network shall be included to determine whether the member meets the total annual costs requirement for services outside the provider's network; and";

On page 16, line 16, by deleting "The state shall contribute" and inserting "For the period January 1, 2005, through December 31, 2005, the employer contribution shall be";

On page 16, line 17, before the period, by inserting "set forth below";

On page 16, line 18, after "The" by inserting "monthly";

On page 16, line 25, after "The" by inserting "monthly";

On page 17, line 8, before "health" by inserting "family" and before "contribution" by inserting "employer" and by deleting "for single coverage for both individuals";

On page 17, line 9, by deleting "toward the cost of that plan" and inserting "for the statewide weighted average single premium of the plan they select toward the employee contribution for family coverage" in lieu thereof;

On page 17, line 10, by deleting "(4)" and inserting "(3)" in lieu thereof;

On page 17, between lines 13 and 14, by inserting the following:

"(4) A difference in employee contribution rates for smokers and nonsmokers under this plan shall not be deemed to be an unlawful practice in violation of KRS 344.040.";

On page 18, line 27, by deleting "permanent full-time";

On page 19, line 7, after "provided" by deleting the paragraph return and inserting a space in lieu thereof;

- On page 19, line 12, by deleting "\$95,332,500" and inserting "\$88,335,900" in lieu thereof;
- On page 19, line 14, after "and", by inserting "to provide";
- On page 19, line 15, by deleting "\$11,432,500" and inserting "\$14,099,400" in lieu thereof;
- On page 19, line 16, after "benefits" by inserting "and flexible spending contributions";
- On page 19, line 17, by deleting "\$16,300,000" and inserting "\$6,636,300" in lieu thereof;
- On page 19, line 18, after "employees." by inserting "There is appropriated from the General Fund to the Personnel Cabinet \$2,000,000 in fiscal year 2004-2005 to provide assistance to quasi-governmental employers participating in the state health insurance program for the employer cost of increased benefits to the plan resulting from this Act.";
- On page 19, line 20, by deleting "\$397,677,000" and inserting "\$398,981,700" in lieu thereof;
- On page 19, line 24, by deleting "\$56,977,000" and inserting "\$58,281,700" in lieu thereof;
- On page 19, line 25, after "benefits" by inserting "and flexible spending contributions";
- On page 19, line 27, by deleting "cost of living" and inserting "cost-of-living" in lieu thereof;
- On page 20, line 1, after "education." by inserting "Included in the above amounts is \$4,441,900 in fiscal year 2004-2005 to support the Kentucky Teachers' Retirement System contributions for associated salary increases for active members.";
- On page 20, line 8, after "appropriated", by inserting "from the General Fund";
- On page 20, line 15, after "2004-2005" by deleting "as a supplemental" and inserting "and \$1,467,400 in fiscal year 2005-2006 for" in lieu thereof;
- On page 20, line 16, after "insurance", by deleting "appropriation";
- On page 20, line 20, by deleting "as a supplemental" and inserting "for" in lieu thereof;
- On page 20, line 20, after "insurance", by deleting "appropriation";
- On page 20, between lines 22 and 23, by inserting the following:
- "Section 16. Notwithstanding KRS 78.530, the Personnel Cabinet shall not enter into any new contracts for coverage of employees in the state health plan from the effective date of this Act through December 31, 2005.";
- On page 20, line 23, by deleting "16." and inserting "17." in lieu thereof; and
- On page 20, line 25, by deleting "17." and inserting "18." in lieu thereof.

The Committee Amendment No. 2 to the Committee Substitute to **HB 1** is as follows:

HB 1, On page 17, line 19, after "carriers." by inserting: "The secretary of the Personnel Cabinet shall also provide to employee organizations who are represented on the Advisory Committee of State Health Insurance Subscribers information necessary so that the member representing the organization can fulfill his or her responsibilities under this section."; and

On page 17, line 20, after "changes to the plans" by inserting: "no later than seven (7) days"; and

On page 17, line 16, by inserting "(1)" before "The"; and

On page 17, line 23, by deleting "(1)" and inserting in lieu thereof "(a)"; and

On page 17, line 24, by deleting "(2)" and inserting in lieu thereof "(b)"; and

On page 17, line 26, by deleting "(3)" and inserting in lieu thereof "(c)"; and

On page 18, line 1, by deleting "(4)" and inserting in lieu thereof "(d)"; and

On page 18, after line 5, by inserting:

"(2) The secretary of the Personnel Cabinet shall, at the discretion of the co-chairs of the Interim Joint Committee on Appropriations and Revenue, either submit a written report to or testify before the Interim Joint Committee on Appropriations and Revenue on the state employee health insurance program for the next plan year prior to the issuance of the requests for proposals."

The Committee Amendment No. 3 to the Committee Substitute to **HB 1** is as follows:

HB 1, On page 18, after line 5 and before line 6 by inserting the following:

"Section 6. (1) The Speaker of the House and the President of the Senate are directed to establish the Blue Ribbon Panel on Public Employee Health Benefits, a legislative branch task force, for the purpose of examining all aspects of health benefits available to public employees including the procurement process, benefits offered, plan membership, implementation, maintenance and administration of the plan; alternative methods of providing benefits and services, and any other issues related to public employee health benefits the panel determines to be relevant. The panel shall make recommendations and propose legislation in accordance with the provisions of subsections (3) and (4) of this section.

(2) The panel shall be composed of thirty (30) members as follows:

- (a) Two (2) co-chairpersons, one (1) to be appointed by the Speaker of the House and one (1) to be appointed by the President of the Senate;
- (b) The chairperson of the Advisory Committee of State Health Insurance Subscribers or the chairperson's appointed designee;
- (c) Two (2) representatives from the executive branch, to be appointed by the Governor;
- (d) Two (2) members of the Kentucky House of Representatives, one (1) from the majority party and one (1) from the minority party, to be appointed by the Speaker of the House;
- (e) Two (2) members of the Kentucky Senate, one (1) from the majority party and one (1) from the minority party, to be appointed by the President of the Senate;
- (f) One (1) representative from the Judicial Branch, to be appointed by the Chief Justice of the Supreme Court;
- (g) Two (2) members from a list of five (5) representing active certified education employees and two (2) members from a list of five (5) representing retired certified education employees with the list to be submitted by the organization with the largest number of teacher members on payroll deduction, one each to be appointed by the Speaker of the House and the President of the Senate;
- (h) Two (2) members from a list of five (5) representing active classified education employees and two (2) members from a list of five (5) representing retired classified education employees with the list to be submitted by the organization with the largest number of classified members on payroll deduction, one each to be appointed by the Speaker of the House and the President of the Senate;
- (i) Two (2) members from a list of five (5) names submitted by the labor federation with the largest number of state employees, one (1) each to be appointed by the Speaker of the House and the President of the Senate;
- (j) Two (2) members from a list of five (5) names submitted by the Kentucky Association of Counties, one (1) each to be appointed by the Speaker of the House and the President of the Senate;
- (k) Two (2) members from a list of five (5) names submitted the Kentucky League of Cities, one (1) each to be appointed by the Speaker of the House and the President of the Senate;
- (l) Two (2) members representing retired state employees, one (1) each to be appointed by the Speaker of the House and the President of the Senate;
- (m) Two (2) members representing the insurance industry, one (1) each to be appointed by the Speaker of the House and the President of the Senate;
- (n) Two (2) members representing health care providers, one (1) each to be appointed by the Speaker of the House and President of the Senate.

Organizations or entities required to submit a list of names to the Speaker of the House and President of the Senate shall do so within thirty (30) days of the effective date of this Act. All appointments shall be made within forty-five (45) days of the effective date of this Act. The names of appointees shall be communicated to the Director of the Legislative Research Commission.

- (3) The panel shall initially meet no later than January 15, 2005, and shall submit a written report and proposed legislation in accordance with subsection (4) of this section to the Legislative Research Commission, the Governor and the Chief Justice of the Supreme Court no later than April 30, 2005. The report and proposed legislation shall be presented to the Interim Joint Committees on Appropriations & Revenue and State Government during the 2005 interim. The panel shall cease to exist upon the delivery and presentation of its report and proposed legislation.
- (4) The panel shall review health benefits available to public employees and shall make recommendations and propose legislation as necessary to address the following areas:
 - (a) The process for receiving input and providing oversight can be improved, including an examination of the composition, function, and duties of the Advisory Committee on State Health Insurance Subscribers established under 218A.225(10) and the Group Health Insurance Board established under 18A.226;
 - (b) The procurement process;
 - (c) Plan benefits, costs and premiums including dependent coverage, relative to surrounding states and the nation at large;
 - (d) Alternative benefits, programs and methods for providing coverage to public employees;
 - (e) Trends in health insurance and the consideration of various implications for the future; and
 - (f) Any other issues the panel identifies.
- (5) The panel may employ consultants if approved by the Legislative Research Commission, request and hear testimony, and take other necessary steps to ensure a thorough study of the issue. The panel shall be staffed by the Legislative Research Commission.
- (6) Except as provided in KRS 18A.200, members of the panel shall receive actual travel expenses while attending meetings.
- (7) Provisions of this section to the contrary notwithstanding, the Legislative Research Commission shall have the authority to

alternatively assign the issues identified herein to an interim joint committee or a subcommittee thereof, and to designate a study completion date."; and

By renumbering subsequent sections accordingly.

The Committee Amendment No. 4 Title to **HB 1** is as follows:

HB 1, Amend the title to read "AN ACT relating to employee benefits, making an appropriation therefor, and declaring an emergency.".

The Committee on Appropriations and Revenue reported **HB 5**, with Committee Amendment attached thereto, and **HB 6** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 5, AN ACT relating to an electronic health network and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 11 IS CREATED TO READ AS FOLLOWS:

The General Assembly finds and declares that:

- (1) Strengthening Kentucky's homeland security would be a core benefit of an electronic health network; and*
- (2) A health alert system would be a central component of the electronic health network and would ensure immediate dissemination of critical information among health care providers and the Department for Public Health in the event of an act of bioterrorism; and*
- (3) Immediate information sharing would help providers identify rare and unusual diseases and respond appropriately; and*
- (4) Education and consultation for health care providers regarding the identification and treatment of rare and unusual diseases would be facilitated with the use of an electronic health network; and*
- (5) The Federal Health Insurance Portability and Accountability Act (HIPAA) of 1996 requires the standardized electronic transmission of health care data and ensures the privacy and security of protected health information; and*
- (6) Strengthening the security of protected health information is a core benefit of an electronic health network; and*
- (7) Participating in an HIPAA-compliant electronic health network would facilitate the state's receiving federal matching funds at a rate up to ninety percent (90%) to upgrade the Medicaid management information system; and*
- (8) Kentucky is a leader in medical technology and can expand its leadership role to become a national model for health information technology; and*
- (9) The Institute of Medicine has recommended the reduction of preventable medical errors as a priority for the United States and identified the use of information technology as a critical factor in this effort; and*
- (10) The Institute of Medicine has identified the problem of unnecessary medical care and, conversely, the lack of needed care as major problems that can be addressed in part by improved use of information technology; and*
- (11) An electronic health network would simplify administrative tasks and support evidence-based clinical decisions, thereby improving the quality of health care; and*
- (12) There are inefficiencies in the delivery of health care that contribute to the increasing cost of health care; and*
- (13) Potential savings could result from decreasing inefficiencies in the health care system; and*
- (14) Some organizations have demonstrated savings associated with implementing electronic processing of health data; and*
- (15) Administrative savings and improved efficiency in the delivery of health care could translate into a reduction in the growth in health care insurance premiums; and*
- (16) Rural and inner-city areas of Kentucky have limited resources to fund the development of health information technology; and*
- (17) Some institutions and organizations have a lack of resources to participate in a statewide electronic health network; and*
- (18) Participation in any electronic health network would be voluntary; and*
- (19) It is in the interest of the citizens of this Commonwealth to implement an electronic health network that would improve the quality of health care and result in substantial savings that could be used to provide care to citizens who are not receiving the health care they need and expand care to the underinsured and uninsured; and*
- (20) In its fully implemented form, the Kentucky e-Health Network is envisioned to support or encourage the following types of electronic transactions or activities that would be phased in over time:*
 - (a) Automatic drug-drug interaction and allergy alerts;*
 - (b) Automatic preventive medicine alerts;*

- (c) Electronic access to the results of laboratory, x-ray, or other diagnostic examinations;
- (d) Disease management;
- (e) Disease surveillance and reporting;
- (f) Educational offerings for health care providers;
- (g) Health alert system and other applications related to homeland security;
- (h) Links to drug formularies and cost information;
- (i) Links to evidence-based medical practice;
- (j) Links to patient educational materials;
- (k) Medical record information transfer to other providers with the patient's consent;
- (l) Physician order entry;
- (m) Prescription drug tracking;
- (n) Registries for vital statistics, cancer, case management, immunizations, and other public health registries;
- (o) Secured electronic consultations between providers and patients;
- (p) Single-source insurance credentialing system for health care providers; and
- (q) The following transactions covered by HIPAA:
 - 1. Health care claims or equivalent encounter information;
 - 2. Health care payment and remittance advice;
 - 3. Coordination of benefits;
 - 4. Health care claim status;
 - 5. Enrollment and disenrollment in a health plan;
 - 6. Eligibility for a health plan;
 - 7. Health plan premium payments;
 - 8. Referral certification and authorization;
 - 9. First report of injury; and
 - 10. Health claims attachments.

SECTION 2. A NEW SECTION OF KRS CHAPTER 11 IS CREATED TO READ AS FOLLOWS:

As used in Sections 1 to 5 of this Act:

- (1) "Board" means the Kentucky e-Health Network Board;
- (2) "Insurer" has the same meaning as provided in KRS 304.17A-005;
- (3) "Electronic health network" means a network that allows for secure exchange of needed information among authorized health care providers, third party payors, and patients, with information being exchanged in real time when feasible;
- (4) "Health care provider" has the same meaning as provided in KRS 311.621;
- (5) "HIPAA" means the Federal Health Insurance Portability and Accountability Act of 1996; and
- (6) "Ke-HN" means the Kentucky e-Health Network.

SECTION 3. A NEW SECTION OF KRS CHAPTER 11 IS CREATED TO READ AS FOLLOWS:

- (1) The Kentucky e-Health Network Board is created and is attached to the Governor's Office of Technology for administrative and technical support purposes.
- (2) The board shall consist of the following voting members:
 - (a) President, or a designee, of the University of Kentucky, who shall serve as co-chair of the board;
 - (b) President, or a designee, of the University of Louisville, who shall serve as co-chair of the board;
 - (c) Commissioner, or a designee, of the Department for Public Health;
 - (d) Commissioner, or a designee, of the Department for Medicaid Services;
 - (e) Chief information officer, or a designee, of the Governor's Office for Technology; and
 - (f) Nine (9) at-large members appointed by the Governor as follows:
 - 1. One (1) member engaged in the business of large-scale e-strategy and computer information technology;
 - 2. One (1) member engaged in the business of health insurance who is recommended by the Kentucky Association of Health Plans, Incorporated;
 - 3. Two (2) members from a list of four (4) individuals recommended by the Kentucky Hospital Association, one (1) representing rural hospitals, and one (1) representing urban hospitals;

4. Two (2) physicians actively engaged in the practice of medicine in this Commonwealth from a list of four (4) physicians recommended by the Kentucky Medical Association or self-nominated;
 5. One (1) member from a company with at least one thousand (1,000) employees selected from a list of four (4) individuals submitted by the Associated Industries of Kentucky;
 6. One (1) member with experience as a physician practice manager; and
 7. One (1) member at large.
- (3) The board shall consist of the following nonvoting members:
 - (a) Commissioner, or a designee, of the Office for the New Economy;
 - (b) Secretary, or a designee, of the Personnel Cabinet;
 - (c) Secretary, or a designee, of the Cabinet for Health Services;
 - (d) Commissioner, or a designee, of the Department of Insurance;
 - (e) One (1) member of the Senate who is a member of the Interim Joint Committee on Health and Welfare, appointed by the President of the Senate; and
 - (f) Two (2) members of the House of Representatives who are members of the Interim Joint Committee on Health and Welfare, appointed by the Speaker of the House.
- (4) Members of the board shall serve a term of four (4) years and may serve two (2) consecutive terms.
- (5) At the end of a term, a member of the board shall continue to serve until a successor is appointed. A member who is appointed after a term has begun shall serve the rest of the term and until a successor is appointed. A member of the board who serves two (2) consecutive full four (4) year terms shall not be reappointed for four (4) years after completion of those terms. Members designated in paragraphs (a) to (e) of subsection (2) of this section and members designated in subsection (3) of this section shall serve on the board only while holding their respective titles.
- (6) A majority of the full membership of the board shall constitute a quorum.
- (7) The board may employ staff or contract with consultants necessary for the performance of the duties of the board.
- (8) No member of the board shall be subject to any personal liability or accountability for any loss sustained or damage suffered on account of any action or inaction of the board.
- (9) Members of the board and all committees, except the advisory group created in subsection (2) of Section 4 of this Act, shall be entitled to reimbursement for actual and necessary expenses when carrying out official duties of the board in accordance with state administrative regulations relating to travel reimbursements. The board shall meet at least six (6) times each year.
- (10) The board shall appoint committees or subcommittees with the charge of investigating and making recommendations to the board on specific aspects of the Ke-HN, including but not limited to evidence-based clinical decision support, security of protected information, electronic data interchange, and clinical practice software packages, including the feasibility of developing a software purchasing alliance to decrease the cost of software and tax incentives to encourage members of the network to purchase software deemed by the board to meet the standards under Section 4 of this Act. The board shall, at least, appoint the following committees:
 - (a) Clinical Decision Support Committee;
 - (b) Privacy and Security of Protected Health Information Committee;
 - (c) Electronic Data Interchange Committee; and
 - (d) Clinical Software Review Committee.
- (11) The members of committees or subcommittees appointed by the board do not need to be members of the board. The chairs of committees or subcommittees shall be appointed by the board. The frequency of committee or subcommittee meetings shall be established by the board.
- (12) The Clinical Decision Support Committee membership shall include at least the following members:
 - (a) One (1) physician with expertise in health informatics;
 - (b) Two (2) physicians actively engaged in the practice of medicine in this Commonwealth from a list of four (4) physicians recommended by the Kentucky Medical Association or self-nominated;
 - (c) One (1) representative of a rural hospital and one (1) representative of an urban hospital;
 - (d) One (1) pharmacist;
 - (e) One (1) representative engaged in the business of health care information technology;
 - (f) Two (2) members with experience as physician practice managers, one (1) from a single-physician practice and one (1) from a multiphysician practice; and
 - (g) One (1) member engaged in the business of health insurance who is recommended by the Kentucky Association of Health Plans, Incorporated.
- (13) The Privacy and Security of Protected Health Information Committee shall include at least the following members:

- (a) One (1) physician actively engaged in the practice of medicine in this Commonwealth;
 - (b) Two (2) members with expertise in HIPAA regulations;
 - (c) Two (2) members engaged in the business of large-scale e-strategy and computer information technology;
 - (d) One (1) member who serves as a computer information officer within the health care industry;
 - (e) Two (2) members with experience as physician practice managers, one (1) from a single-physician practice and one (1) from a multi-physician practice;
 - (f) One (1) member engaged in the business of health insurance who is recommended by the Kentucky Association of Health Plans, Incorporated; and
 - (g) One (1) representative of a hospital.
- (14) The Electronic Data Interchange Committee shall include at least the following members:
- (a) Two (2) members engaged in the business of large-scale e-strategy and computer information technology;
 - (b) Two (2) members engaged in the business of health insurance who are recommended by the Kentucky Association of Health Plans, Incorporated;
 - (c) Chief information officer, or a designee, of the Cabinet for Health Services;
 - (d) Two (2) members with experience as physician practice managers, one (1) from a single-physician practice and one (1) from a multiphysician practice; and
 - (e) One (1) representative of a hospital.
- (15) The Clinical Software Review Committee shall include at least the following members:
- (a) One (1) member from a company that develops computer software for physician practices;
 - (b) One (1) member engaged in the business of large-scale e-strategy and computer information technology;
 - (c) Three (3) physicians, with one (1) having experience in electronic information technology;
 - (d) Two (2) members with experience as physician practice managers, one (1) from a single-physician practice and one (1) from a multiphysician practice;
 - (e) One (1) member engaged in the business of health insurance who is recommended by the Kentucky Association of Health Plans, Incorporated; and
 - (f) One (1) representative of a hospital.
- SECTION 4. A NEW SECTION OF KRS CHAPTER 11 IS CREATED TO READ AS FOLLOWS:
- (1) The duties and responsibilities of the board shall be to implement and oversee the operation of an electronic health network in this Commonwealth, to be known as the Ke-HN.
- (2) The board shall:
- (a) Exercise all of the administrative functions of the board;
 - (b) Appoint an advisory group that shall meet at least quarterly for the purpose of collaborating with health care providers and payors, computer technology companies, telecommunication companies, and other affected entities to ensure input into the implementation of the Ke-HN;
 - (c) Review models for an electronic health network;
 - (d) Oversee the development of comparative business cases for the models reviewed and choose a model to be implemented in this Commonwealth. In selecting a model for implementation, the board shall consider the following elements:
 - 1. Various models and configurations for Ke-HN, as either developed from the board's research or as recommended by public and private experts. Each model or configuration shall be capable of supporting administrative and clinical functions listed in Section 1 of this Act, including the capability to integrate an electronic Medicaid management information system, provide immediate health alerts to health care providers across the state, and support health care provider education related to the identification and treatment of rare and unusual diseases. The model chosen may be implemented in phases, as determined by the board;
 - 2. Projected costs of the network, indicating those which would be allocated to state government, health care providers, insurers, or others;
 - 3. Options for financing the start-up, administrative and maintenance costs, projected returns on investments, a timetable for realizing those returns, and any proposed subscription or transaction fees associated with the Ke-HN;
 - 4. Procedures intended to secure protected health information in accordance with HIPAA;
 - 5. Timetables for implementation of the Ke-HN, whether as a fully established network, in phases, or through the use of a pilot project or regional approach to the Ke-HN;
 - 6. Suggested incentives to promote the use of Ke-HN by health care providers and payors, and the

Medicaid program; and

7. Incentives, including but not limited to tax credits, low-interest loans, and grants, under Subchapters 22, 23, 24, 26, and 28 of KRS Chapter 154 for a company that develops or manufactures software necessary for the development of the Ke-HN, if the company meets all the eligibility requirements under the respective subchapter in KRS Chapter 154;
- (e) Receive comments from the advisory group created in paragraph (b) of this subsection;
- (f) Submit a description of the model chosen for implementation to the Legislative Research Commission for the opportunity for any comments;
- (g) If state funds are required for implementation of the model chosen, seek funding through the appropriations process;
- (h) Oversee the implementation of the model chosen. Oversight shall include the following:
 1. Developing any central interchange, including any central server and software;
 2. Developing the Ke-HN of providers and payors who participate in the network, which shall be on a voluntary basis;
 3. Making recommendations regarding the features and functions which shall be included in the distributed components of the network; and
 4. Performing an outcomes assessment of the benefits achieved by the network;
- (i) Identify and adopt standards for all computer systems communicating with the Ke-HN, including but not limited to:
 1. The HIPAA standards for electronic transactions as the federal regulations become final, or more stringent standards for content and networking as determined by the board;
 2. Medical lexicon for administrative billing and clinical purposes;
 3. Procedure and billing codes; and
 4. Prevalent health care industry standards for software and networking that ensure that applications work on all types of computer systems and equipment;
- (j) Establish procedures to ensure that Ke-HN transactions are in compliance with HIPAA guidelines;
- (k) Facilitate the implementation of the federal HIPAA guidelines, and identify any additional variables specific to Kentucky that are required to be in transactions within the HIPAA guidelines;
- (l) Oversee the operations of the Ke-HN, including but not limited to making recommendations for financing the central interchange for the network and making recommendations to organizations about implementing the network in their respective organizations;
- (m) Oversee the development of the central interchange that supports communication between components of the Medicaid management information system;
- (n) Implement educational efforts about the Ke-HN;
- (o) Develop incentives for providers and payors to use the Ke-HN;
- (p) Identify options for, adopt, and implement approaches to various aspects of the Ke-HN necessary for its creation and operation, including but not limited to technology architecture, governance and oversight, development and implementation plans, and other areas identified by the board relating to its charge;
- (q) Facilitate the development of private and public partnerships to build the Ke-HN;
- (r) Assign priority in phasing in the network to geographical locations that are critical to homeland security and protection of the Commonwealth's energy production;
- (s) Collaborate with federal agencies in the development and implementation of the Ke-HN as a demonstration model for the nation;
- (t) Encourage the development of health information technology centers at the University of Kentucky and the University of Louisville to:
 1. Provide educational programs in health information science;
 2. Stimulate research in health and health care applications;
 3. Facilitate the integration of the health information infrastructure with other information infrastructure development;
 4. Collaborate with health care providers, payors, businesses, governmental agencies, and computer information technology companies to help move innovative research to implementation;
 5. Serve as national centers for health information science; and
 6. Apply for grants to support the activities of the centers;
- (u) Assist with the securing of state, federal, or private funding to develop and build health information technology

centers;

- (v) Stimulate the development of state and local population health information capacities;
- (w) Promulgate administrative regulations in accordance with KRS Chapter 13A necessary to carry out the responsibilities of the board;
- (x) Receive and dispense funds appropriated for its use by the General Assembly or may solicit, apply for, and receive any funds, property, or services from any person, governmental agency, or organization to carry out its statutory responsibilities;
- (y) Report to the Governor, secretary of the Cabinet for Health Services, commissioner of the Office for the New Economy, Legislative Research Commission, Interim Joint Committee on Health and Welfare, and Interim Joint Committee on Banking and Insurance annually on the development of the Ke-HN and the impact on quality and cost of health care; and
- (z) Collaborate with the Telehealth Board to link functions of the telehealth network to the Ke-HN, as determined by the Telehealth Board.

(3) The board may:

- (a) Use any software program or expand any Medicaid management information system or electronic provider and payor network developed by the Medicaid program to support electronic health transactions between payors, insurers, health care providers, and patients that are not Medicaid related, unless prohibited by federal law or regulation;
- (b) Contract, in accordance with KRS Chapter 45A, with an independent third party for any service necessary to carry out the responsibilities of the board; and
- (c) Award grants to health care providers and payors to implement projects related to health informatics, with highest priority given to health care providers and payors that serve rural and inner-city areas of this Commonwealth.

SECTION 5. A NEW SECTION OF KRS CHAPTER 11 IS CREATED TO READ AS FOLLOWS:

(1) There is established and created in the State Treasury a fund entitled the "Ke-HN fund." The fund may receive:

- (a) State appropriations;
- (b) Gifts;
- (c) Grants;
- (d) Revolving funds;
- (e) Transaction, service, or other fees set by the board;
- (f) Federal funds; and
- (g) Any other public and private funds.

(2) Moneys deposited in the Ke-HN fund shall be disbursed by the State Treasurer upon the warrant of the board. This fund shall be used solely for purposes related to the Ke-HN as approved by the board. The fund shall not lapse, and funds not expended during any fiscal year shall carry forward to the next fiscal year.

Section 6. KRS 45A.605 is amended to read as follows:

(1) As used in this section:

- (a) "Information highway" means a communication network for voice, data, and video communications technologies; and
- (b) "Agencies of the Commonwealth of Kentucky" includes all authorities; boards; commissions; councils; departments; program cabinets; the Kentucky Lottery Corporation; vocational schools; the Kentucky School for the Deaf; the Kentucky School for the Blind; upon written request of the Chief Justice, the Court of Justice; upon written request of the co-chairmen of the Legislative Research Commission, the General Assembly and the Legislative Research Commission; and upon written request of presidents, state institutions of higher education.

(2) The provisions of any other law notwithstanding, the Finance and Administration Cabinet may enter into one (1) or more contracts, on behalf of agencies of the Commonwealth of Kentucky, with any person, partnership, or corporation that operates an information highway. The information highway shall enable the Commonwealth to benefit from cost-effective telecommunications technologies and shall provide opportunities for the private sector. These opportunities shall include, but not be limited to, the implementation of transactions and activities associated with the Kentucky e-health network created in Section 3 of this Act and the provision of telehealth by licensed health-care providers as provided in KRS Chapters 205, 211, 304.17A, 310, 311, 312, 313, 314, 314A, 315, 319, 319A, 320, 327, 334A, and 335.

(3) Upon implementation, all agencies of the Commonwealth of Kentucky shall obtain all available communications services under contracts executed pursuant to subsection (2) of this section, except as provided under subsection (4) of this section.

(4) The secretary of the Finance and Administration Cabinet may grant exceptions to the mandatory use of the information highway upon good cause shown. The Kentucky e-Health Network Board may use the information highway to

implement the network, but shall not be limited to its use for communication services.

- (5) Any contract awarded under subsection (2) of this section shall be deemed, for purposes of KRS 45A.050, a state agency price contract to which all political subdivisions and state-licensed nonprofit institutions of higher education may have access and use on the same terms as agencies of the Commonwealth of Kentucky. In addition, nonprofit schools providing elementary or secondary education and nonprofit health care organizations shall be allowed to have access and use the contract on the same terms as agencies of the Commonwealth of Kentucky. "Nonprofit schools" and "nonprofit health care organizations" mean those schools and health care organizations which have been granted tax-exempt status under the United States Internal Revenue Code.
- (6) Any contract awarded under subsection (2) of this section shall be deemed a state agency price contract to which any entity that has been approved for economic development incentives under programs approved and administered by the Kentucky Economic Development Finance Authority may have access and use on the same terms as agencies of the Commonwealth of Kentucky.
- (7) Any contract awarded under subsection (2) of this section shall be deemed a state agency price contract to which nonprofit organizations whose exclusive purpose is the delivery of services related to education, economic development, or cultural arts and humanities, may have access and use on the same terms as agencies of the Commonwealth of Kentucky. For the purposes of this section, "nonprofit organizations" means those organizations which have been granted tax-exempt status under Section 501(c)(3) of the United States Internal Revenue Code or those existing education based entities whose purpose is the delivery of services to state school systems, their employees, or their governing organizations and which have been granted tax-exempt status under Section 501(c)(6) of the United States Internal Revenue Code.

Section 7. KRS 164.6015 is amended to read as follows:

- (1) There is established the Kentucky Innovation Commission, as an independent advisory commission, consisting of fifteen (15) members as follows:
 - (a) The Governor or designee;
 - (b) The secretary of the Governor's Executive Cabinet or designee;
 - (c) The secretary of the Cabinet for Economic Development or designee;
 - (d) The president of the Council on Postsecondary Education or designee;
 - (e) The state budget director or designee;
 - (f) The Speaker of the House or designee;
 - (g) The President of the Senate or designee; and
 - (h) Eight (8) at-large members appointed by the Governor as follows:
 1. Four (4) members of the private sector possessing extensive experience and expertise relating to managing a high-technology business or engaging in an innovation-driven, knowledge-based enterprise;
 2. One (1) member engaged in the business of venture capital;
 3. One (1) member of the private sector possessing extensive experience and expertise relating to providing or supporting communications infrastructure; and
 4. Two (2) members who are engineers or scientists recognized for their scientific or technological research efforts, or educators with an interest or background in teaching students to become highly skilled workers or entrepreneurs.
- (2) The eight (8) at-large members shall serve terms of four (4) years, except that the original appointments shall be staggered so that two (2) appointments shall expire at two (2) years, three (3) appointments shall expire at three (3) years, and three (3) appointments shall expire at four (4) years from the dates of initial appointment.
- (3) The commission shall meet quarterly and at other times upon call by the chair.
- (4) Eight (8) members shall constitute a quorum for conducting business.
- (5) Members shall receive no compensation except that the at-large members shall be reimbursed for actual and necessary travel expenses for attending meetings and performing other official functions, consistent with state reimbursement policy for state employees.
- (6) Vacancies shall be filled in the same manner as the original appointment.
- (7) The chair and vice chair of the commission shall be appointed by the Governor.
- (8) The commission shall provide ongoing advice, direction, and policy recommendations to the Governor and the General Assembly relating to the status of Kentucky knowledge-driven businesses, research and development initiatives, and related high-skill training and education in the Commonwealth.
- (9) The duties and responsibilities of the commission shall be to:
 - (a) Promote the cooperation of private and public entities that have the purpose and duty of advancing the knowledge-based economy in the Commonwealth through technological innovation and knowledge transfer;

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- (b) Report on the progress the Commonwealth has made annually toward achieving the goals in KRS 164.6013 through its agreed-upon benchmarks. In the setting of benchmarks the commission shall consider performance indicators recommended by public and private experts in and outside of the state in the fields of research and development and economic development, for the purpose of recommending benchmarks. Experts in this state shall include but not be limited to representatives from the universities undertaking research and development activities, representatives of the Kentucky Science and Technology Corporation, representatives of targeted technology sectors, representatives of the Cabinet for Economic Development, and representatives of other state agencies having economic development and information technology responsibilities. Outside state experts shall include nationally recognized independent reviewers to assess the competitiveness of technology sectors in this state and the impact of research and development activities on economic development in the Commonwealth. Quantitative and qualitative indicators may include but are not limited to the following:

1. Kentucky companies modernizing to become more technologically innovative and globally competitive;
2. Research and development initiatives undertaken at Kentucky universities with federal, state, or private funds;
3. Educational attainment in areas that support the workforce needs of information technology and high-growth knowledge industries;
4. High-technology sectors and companies moving to and operating in the state;
5. Patents filed for technology or knowledge-based commercial products, processes, or services;
6. Businesses using electronic commerce and the communications infrastructure access capacity for Kentucky businesses;
7. Growth in corporate headquarters, research and development centers, high-income employees, and clustering of related technology industries and suppliers; and
8. Monitoring reports indicating progress made by the Kentucky Innovation Act investments as reported by the Office for the New Economy and the Council on Postsecondary Education;

- (c) Operate as a common strategic umbrella to advocate for the use of federal, state, local government, and private sector funds to create research and development projects, modernize manufacturing facilities, and promote knowledge-based, technology sectors and companies in the Commonwealth; ~~and~~

- (d) Report to the Governor and to the General Assembly annually on performance indicators, recommending benchmarks for measuring progress toward the advancement of the knowledge-based economy, technological innovation, and knowledge transfer, and reporting on the programs and initiatives set forth in KRS 164.6019 to 164.6041, 154.12-274, 154.12-278, and KRS 154.12-300 to 154.12-315; and

- (e) Promote the cooperation of private and public entities to advance and fund health information technology in this Commonwealth.

- (10) The support staff for the commission shall be from the office of the state budget director.

Section 8. KRS 164.6021 is amended to read as follows:

- (1) There is created and established in the Council on Postsecondary Education a Kentucky Research and Development Voucher Program to provide vouchers to small and medium-size, Kentucky-based companies to undertake research and development work in partnership with universities in the Commonwealth.

- (2) The purpose of the Kentucky Research and Development Voucher Program is to:

- (a) Accelerate knowledge transfer and technological innovation, improve economic competitiveness, and spur economic growth in Kentucky-based companies;
- (b) Support research and development activities that have clear potential to lead to commercially successful products, processes, or services within a reasonable period of time;
- (c) Stimulate growth-oriented enterprises within the Commonwealth;
- (d) Encourage partnerships and collaborative projects between private enterprises, Kentucky's universities, and research organizations; ~~and~~
- (e) Promote research and development activities that are market-oriented; and

- (f) Promote the research and development of and assist with funding of health information technology in this Commonwealth.

Section 9. KRS 164.6029 is amended to read as follows:

- (1) There is created and established in the Council on Postsecondary Education a Kentucky Rural Innovation Program to provide awards to rural Kentucky-based, small companies to undertake research, development, and entrepreneurial innovation work in partnership with Kentucky postsecondary institutions, the Small Business Development Center Network in Kentucky, and other entities engaged in research and development work.

- (2) The purpose of the Kentucky Rural Innovation Program is to:

- (a) Accelerate knowledge transfer and technological innovation that improve economic competitiveness and spur economic growth in rural, Kentucky-based, small companies;
- (b) Support entrepreneurial activities that have clear potential to lead to commercially successful products, processes, or services within a reasonable period of time;
- (c) Stimulate growth-oriented enterprises within the Commonwealth;
- (d) Encourage partnerships and collaborative projects between private enterprises, Kentucky's postsecondary institutions, research organizations, and the Small Business Development Center Network in Kentucky; ~~and~~
- (e) Promote research, development, and entrepreneurial activities that are driven by private sector requirements; **and**
- (f) Promote the research and development of and assist with funding of health information technology in this Commonwealth.**

Section 10. KRS 164.6037 is amended to read as follows:

- (1) There is created and established in the Council on Postsecondary Education a Kentucky Commercialization Fund Program to provide seed funding as defined in KRS 164.6011, for the development of promising technologies emerging from Kentucky's universities.
- (2) The purposes of the Kentucky Commercialization Fund Program are to:
 - (a) Accelerate knowledge transfer and technological innovation, improve economic competitiveness, and spur economic growth in Kentucky-based companies;
 - (b) Provide seed funding for promising technologies developed in Kentucky's universities;
 - (c) Support promising technologies with commercial potential that are in their early stages of development;
 - (d) Promote technologies and resources offered by Kentucky's postsecondary institutions to private enterprises; ~~and~~
 - (e) Support the formation and organization of private enterprise that advances commercial applications based on a university's research and development work; **and**
 - (f) Promote the research and development of and assist with funding of health information technology in this Commonwealth.**

Section 11. KRS 154.12-274 is amended to read as follows:

- (1) As used in this section, "cluster" shall have the same meaning as in KRS 164.6011.
- (2) It is the intention of the General Assembly to recognize that a strong manufacturing base for the economy of the Commonwealth requires not only modernization of the production process but also an increase in the number of products developed, so that through the creation of new product lines, additional value-added products, and new manufacturing methods the economy will grow and quality job opportunities will increase. The Cabinet for Economic Development shall support this intention through its authority in KRS 154.12-050.
- (3) The Cabinet for Economic Development shall enter into contracts or agreements with the Kentucky Manufacturing Assistance Center, a nonprofit organization with the mission to assist Kentucky small and medium-size manufacturers to become more competitive in the global marketplace. The contracts or agreements shall require the Kentucky Manufacturing Assistance Center to undertake the following activities:
 - (a) Negotiate contractual agreements with existing manufacturers to deliver modernization services that are likely to lead to the creation of new product lines, additional value-added products, and new manufacturing methods;
 - (b) Deliver engineering, technical, and business improvement services in Kentucky manufacturing facilities, through the network of Kentucky Technology Service locations in the state, that lead to the development of new product lines, additional value-added products, and new manufacturing methods;
 - (c) Coordinate services for and support the activities of Kentucky manufacturers that need additional projects, activities, and expertise beyond those available through the Kentucky Manufacturing Assistance Center;
 - (d) Promote, along with other economic development entities, the development of supplier chains, the linkages among suppliers, and the growth of clusters within the Commonwealth; ~~and~~
 - (e) Provide to the Cabinet for Economic Development and Kentucky Innovation Commission a report of the advances made in the manufacturing modernization projects initiated; **and**
 - (f) Promote the research and development of, and assist with the identification of funding sources for, health information technology in this Commonwealth.**

Section 12. KRS 154.12-278 is amended to read as follows:

- (1) As used in this section, "cluster" and "knowledge-based" shall have the same meaning as in KRS 164.6011.
- (2) There is established the Office for the New Economy in the Cabinet for Economic Development. Notwithstanding KRS 154.10-050, the Governor shall nominate the commissioner of the Office for the New Economy, who shall be approved by the Kentucky Economic Development Partnership.
- (3) The duties of the Office for the New Economy shall include but not be limited to:

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- (a) Implement the Kentucky Innovation and Commercialization Center Program as set forth in KRS 154.12-300 to 154.12-315;
- (b) Monitor the return on investments and effectiveness of the Kentucky Innovation Act initiatives as set forth in the Strategic Plan for the New Economy as approved by the Kentucky Innovation Commission, January 7, 2002, or as revised, and report annually prior to November 1 to the Kentucky Innovation Commission, the Governor, and the General Assembly;
- (c) Oversee the modernization initiative in KRS 154.12-274;
- (d) Assist the cabinet in the recruitment of research and development companies;
- (e) Assist the cabinet in the attraction of high-technology research and development centers;
- (f) Support growth and creation of knowledge-based, innovative companies;
- (g) Build the infrastructure for the new economy businesses and promote networks of technology-driven clusters and research intensive industries;
- (h) Administer the high-tech construction pool and the high-tech investment pool;
- (i) Recommend projects to the Kentucky Economic Development Finance Authority for funding through the high-tech construction pool and high-tech investment pool; ~~and~~
- (j) Review and approve the annual plan which details the annual allocation of funds from the Science and Technology Funding Program, prior to the Council on Postsecondary Education executing a contract with the science and technology organization to administer science and technology funding programs. As used in this paragraph, the Science and Technology Funding Program means the Kentucky Rural Innovation Program, the Kentucky Research and Development Voucher Program, the Kentucky Commercialization Program, The Regional Technology Corporations/Innovation and Commercialization Center Satellites, and the Experimental Program to Stimulate Competitive Research/Kentucky Science and Engineering Foundation; and
- (k) Cooperate with other state agencies and private corporations to secure funding for and promote the research and development of health information technology in this Commonwealth.

- (4) The high-tech construction pool shall be used for projects with a special emphasis on the creation of high-technology jobs and knowledge-based companies. The commissioner, in administering the high-tech construction pool, shall recommend distribution of funds and projects to the Kentucky Economic Development Finance Authority for its approval. The commissioner shall recommend any designated amount of pool funds to be set aside for any match requirements. Any funds used for matching purposes may include public and private funds.
- (5) The high-tech investment pool shall be used to build and promote technology-driven industries and research-intensive industries, as well as their related suppliers, with the goal of creating clusters of innovation-driven industries in Kentucky. The commissioner, in administering the high-tech investment pool, shall be authorized to recommend funds to be used to support loans and grants, or to secure an equity or related position.
- (6) The Kentucky Economic Development Finance Authority shall assure in their approval of funding of projects that the highest priority is given to knowledge-based companies in fulfillment of the purposes and intentions of the purposes of this section.

Section 13. The members of the Kentucky e-Health Network Board created in Section 3 of this Act shall be appointed upon the appropriation of federal or state funds or upon the availability of other funds to finance the administrative costs of the board.

Section 14. Whereas an electronic health network could result in significant savings and improved quality of care, an emergency is declared to exist, and this Act takes effect upon its passage and approval by the Governor or upon its otherwise becoming a law.

The Committee Amendment No. 1 to **HB 5** is as follows:

HB 5, On page 6, line 1 by deleting "One (1) member" and inserting in lieu thereof "Two (2) members"; and
On page 6, line 1, by deleting "is a member" and inserting in lieu thereof "are members"; and
On page 6, line 2, by inserting after "Welfare," "one (1) to be"; and
On page 6, line 3, after "Senate" by inserting ", and one (1) to be appointed by the minority leader"; and
On page 6, line 5, after "Welfare," by inserting "one (1) to be"; and
On page 6, line 5, after "House" by inserting ", and one (1) to be appointed by the minority leader".

HB 6, AN ACT relating to medical errors.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

The General Assembly finds and declares that:

- (1) In 1999, the Institute of Medicine released a report entitled "To Err Is Human" that described medical errors as the eighth leading cause of death in the United States, with as many as 98,000 people dying as a result of medical errors each year;*
- (2) In response, the Institute of Medicine proposed that the health care delivery system be redesigned "to ensure that all Americans receive care that is safe, effective, patient-centered, timely, efficient, and equitable";*
- (3) The National Committee on Vital and Health Statistics recommended the creation of a separate office with the federal Department for Health and Human Services to provide national leadership in developing the National Health Information Infrastructure (NHII) and integrating it into the health care system;*
- (4) On July 1, 2003, Secretary Tommy G. Thompson announced steps to build a national electronic health care system that would enable physicians' offices, insurance companies, hospitals, and others to communicate electronically, which would improve patient care while reducing the medical errors and the high costs plaguing health care;*
- (5) In November 2003, the federal Agency for Healthcare Research and Quality announced fifty million dollars (\$50,000,000) to demonstrate the role of health information technology to improve patient safety and the quality of care;*
- (6) It is crucial that the health care system identify and learn from medical errors so that systems of care can be improved;*
- (7) The research on patient safety unequivocally calls for a learning environment, where providers will feel safe to report health care errors, in order to improve patient safety;*
- (8) Medical malpractice claims have contributed to the increase in medical malpractice insurance premiums, which is likely to be passed on to patients in the form of higher reimbursement rates; and*
- (9) It is in the best interest of all Kentuckians that the University of Kentucky and the University of Louisville unite to establish an Academy for Health Care Improvement and Cost Reduction to design the Commonwealth's twenty-first-century health care system for the primary purposes of improving the quality of patient care, reducing medical errors, and reducing the cost of health care.*

SECTION 2. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

As used in this section and Section 4 of this Act:

- (1) "Academy" means the Academy for Health Care Improvement and Cost Reduction;*
- (2) "Adverse medical event" means an injury caused by medical management rather than the underlying condition of the patient;*
- (3) "Health care provider" means:*
 - (a) Physicians, osteopaths, and podiatrists licensed under KRS Chapter 311;*
 - (b) Nurses and advanced registered nurse practitioners licensed under KRS Chapter 314;*
 - (c) Pharmacists licensed under KRS Chapter 315;*
 - (d) Chiropractors licensed under KRS Chapter 312;*
 - (e) Dentists licensed under KRS Chapter 313;*
 - (f) Optometrists licensed under KRS Chapter 320;*
 - (g) Physician assistants regulated under KRS Chapter 311;*
 - (h) Psychologists licensed under KRS Chapter 319;*
 - (i) Physical therapists licensed under KRS Chapter 327;*
 - (j) Occupational therapists licensed under KRS Chapter 319A;*
 - (k) Respiratory care practitioners licensed under KRS Chapter 314A; and*
 - (l) Emergency medical services personnel licensed or certified under KRS Chapter 311A;*
- (4) "Medical error" means an error that occurs within the health care system as a result of the failure of a planned action to be completed as intended or the use of a wrong plan to achieve an aim;*
- (5) "Patient safety data" means reports made to the Academy for Health Care Improvement and Cost Reduction created in Section 3 of this Act together with all health care data, interviews, memoranda, analyses, root cause analyses, products of quality assurance or quality improvement processes, corrective action plans, or information collected or created by a licensed, registered, or certified health care provider or licensed health facility as a result of an occurrence related to the provision of health care services that exacerbates an existing medical condition or could result in injury, illness, or death; and*
- (6) "Sentinel event" means an unexpected occurrence involving death or serious physical or psychological injury or the*

risk thereof, including but not limited to any process variation for which a recurrence would carry a significant chance of a serious adverse outcome.

SECTION 3. A NEW SECTION OF KRS CHAPTER 164 IS CREATED TO READ AS FOLLOWS:

- (1) The University of Kentucky and the University of Louisville shall jointly establish and operate an Academy for Health Care Improvement and Cost Reduction. The purposes of the academy shall be to reduce medical errors, improve patient care, and reduce health care costs.
- (2) The responsibilities of the academy may include but are not limited to:
 - (a) Providing educational programs in health information science;
 - (b) Stimulating research in the application of health care information systems to improve health care;
 - (c) Facilitating the integration of the health information infrastructure with other information infrastructure development;
 - (d) Serving as a national resource for health information science; and
 - (e) Providing statewide research, education, and policy information related to patient safety and strategies to reduce the cost of health care.
- (3) The academy shall:
 - (a) Redesign the health care delivery system using information technology to ensure that all Kentuckians receive care that is safe, effective, patient-centered, timely, efficient, and equitable;
 - (b) Collaborate with federal agencies to obtain funding for the implementation of pilot projects that can serve as models for the national electronic health care system;
 - (c) Communicate with the federal Department for Health and Human Services regarding the feasibility of the academy serving as a federal research center on patient safety;
 - (d) Conduct research to identify innovative health care applications using information technology and systems to reduce medical errors, improve patient care, and reduce cost of care, including applications to support electronic disease management and evidence-based medicine;
 - (e) Implement pilot projects to determine the impact of various health care applications using information technology and systems on the quality of patient care;
 - (f) Collaborate with health care providers, payors, businesses, governmental agencies, and computer information technology companies to advance the research findings related to the use of health care applications and information systems into the health care delivery system;
 - (g) Collect patient safety data from hospitals and health care providers;
 - (h) Analyze the root cause for each adverse medical event, medical error, or sentinel event, as defined in Section 2 of this Act, that is reported to the academy or that resulted in a settlement or judgment and provide evidence-based recommendations to the health care provider or health facility that reported the event;
 - (i) Analyze the patient safety data to identify processes within the health care delivery systems that contribute to medical errors and provide evidence-based recommendations for systematic changes that would reduce medical errors and improve patient safety statewide;
 - (j) Conduct research to determine strategies to lower the cost of health care while not compromising quality of care;
 - (k) Investigate civil complaints alleging medical malpractice to determine whether these complaints were meritorious, submit a summary of the findings to the Kentucky Bar Association, and make the summary available to the public; and
 - (l) Prepare a summary report of the data collected by the academy related to medical errors, adverse medical events, sentinel events, and the number of civil complaints filed that alleged medical malpractice which were determined to be nonmeritorious, and a summary of any recommendations to prevent recurrence of these events. The report shall be made available to health care providers and the public and shall be submitted to the secretary of the Cabinet for Health Services, the commissioner of the Department of Insurance, and the Legislative Research Commission beginning no later than one (1) year after the implementation of the database and quarterly thereafter.
- (4) The Cabinet for Health Services shall promulgate administrative regulations to carry out the responsibilities of this section, which shall include but not be limited to establishing the methods for data collection and analysis, timelines for reporting, types of data to be reported, standardized format of data reporting, safeguards for maintaining confidentiality of patient safety data, and the format and content of aggregate reports.
- (5) The academy may receive state appropriations, gifts, grants, revolving funds, fees for services, federal funds, and any other public and private funds.

SECTION 4. A NEW SECTION OF KRS CHAPTER 216B IS CREATED TO READ AS FOLLOWS:

- (1) On a voluntary basis, every licensed, registered, or certified health care provider and health care facility shall be

encouraged to report every medical error, adverse medical event, sentinel event, and related patient safety data to the academy created in Section 3 of this Act, except that hospitals shall be required to report these events. Patient identifying information shall be removed prior to the data being submitted to the academy.

- (2) A person or entity reporting a medical error, adverse medical event, sentinel event, or patient safety data shall not be held civilly or criminally liable for making any report authorized under this section.
- (3) A supervisor or administrator for any health facility shall not impede or inhibit the reporting authorized under this section. No employer shall take retaliatory action against an employee who in good faith makes a report of a medical error, adverse medical event, or sentinel event, or provides patient safety data to the academy.
- (4) The academy shall remove the identity of the person or the entity making the report and the name of the licensed, registered, or certified health care provider or licensed health facility after the receipt of a complete patient safety data report or after any investigation of a malpractice claim has been completed. The academy shall remove the identity of the plaintiff or plaintiffs and defendant or defendants from any document received from the Administrative Office of the Courts pursuant to Section 5 of this Act after the investigation has been completed.
- (5) Reports of a medical error, adverse medical event, sentinel event, or other patient safety data shall not abrogate obligations to make reports to any licensure board or agency required by state law.
- (6) A report of a medical error, adverse medical event, sentinel event and other patient safety data submitted to the academy, and documents or reports regarding any recommendations, findings, and conclusions of the academy, shall not be subject to the Kentucky open records law and shall be considered privileged and confidential, except that summary reports of aggregate data shall be made public.
- (7) The identity of a person or licensed health care facility reporting a medical error, adverse medical event, or sentinel event and all patient safety data reported and collected under this section and any recommendations, findings, and conclusions of the academy shall not be subject to subpoena, nor shall that information be disclosed or compelled to be produced in any civil, criminal, administrative, or other proceeding or be deemed admissible as evidence in any civil, criminal, administrative, or other tribunal, mediation, or court for any reason, with the exception of the information upon which the report is based, if that information exists independently of the reporting process mandated under this section and is otherwise discoverable under any other provision of law. No person involved in the collection, review, development, or submission of the patient safety data shall be subject to subpoena or be compelled to testify regarding the data submitted to the academy created in Section 3 of this Act. The academy shall not disclose any reports or patient safety data to any professional licensure board.
- (8) Nothing in this section shall be construed to prevent a licensed health care provider from providing his or her patient with information that an adverse medical event occurred.

SECTION 5. A NEW SECTION OF KRS CHAPTER 27A IS CREATED TO READ AS FOLLOWS:

- (1) At the beginning of each month, every clerk of the Circuit Court shall provide the Administrative Office of the Courts with information sufficient to identify every civil complaint filed with that clerk in Circuit Court or District Court alleging medical malpractice, whether the complaint is an original complaint or a third party complaint.
- (2) Each month, the Administrative Office of the Courts shall transmit to the Academy for Health Care Improvement and Cost Reduction created under Section 3 of this Act the information identifying each medical malpractice complaint identified under subsection (1) of this section.
- (3) The Administrative Office of the Courts and the academy may, by agreement, implement, for the purposes of administrative convenience, an alternative method of identifying and notifying the academy of the filing of a civil medical malpractice complaint, provided that the agreement provides for the identification of every medical malpractice complaint filed in the courts of the Commonwealth.
- (4) Records produced in or relating to civil actions involving medical malpractice shall be open for inspection by the academy, regardless of whether the records are held or controlled by the court or its clerk, or held or controlled by the parties or their attorneys, or held or controlled by third parties, including insurance companies. This right of inspection shall apply regardless of the procedural disposition of the civil action. The academy may cause the holder of the record to duplicate the record and transmit the duplicate copy of the record to the academy, for which the academy may remit a reasonable fee for the actual expense of the duplication, not to exceed ten cents (\$0.10) per page for ordinary paper copies and for all other records an amount not to exceed the amounts allowed for the duplication of records obtained from the Kentucky State Medical Examiners Office. Records covered by this section include depositions, interrogatories, records and reports of medical examinations conducted before or after the initiation of the litigation, medical charts and records of care rendered, or any other record, regardless of the medium in which recorded, containing information relating to the provision, or nonprovision, of medical care.
- (5) Records obtained by the academy under this section and any recommendations, findings, and conclusions shall be held in absolute confidence, and shall not, any other provision of law to the contrary notwithstanding, be subject to production or disclosure by subpoena, open records request, or other compelled or voluntary mechanism in any civil, criminal, or administrative proceeding, except that aggregate summary data may be made public.

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Section 6. Sections 1 to 4 of this Act shall be known as the Patient Health Care Quality Act of 2004.

Section 7. Sections 1 to 5 of this Act shall not be implemented until the presidents of the University of Kentucky and the University of Louisville determine that funding is available to develop the academy and implement its functions.

Representative Adkins moved that the rules be suspended to take **HB 1** from the Committee on Rules and place it in the Orders of the Day. Agreed.

Orders of the Day

HB 1, with Committee Substitute, Committee Amendments, and Floor Amendments attached thereto, taken from the Orders of the Day and ordered read at length for the third time. Representative Adkins moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Moberly moved the adoption of the Committee Substitute to **HB 1**. Agreed.

Representative Nunn moved the adoption of the Committee Amendment No. 2 to the Committee Substitute to **HB 1**. Agreed.

Representative Moberly moved that the rules be suspended to act on Floor Amendment No. 1 to the Committee Substitute to **HB 1**. Agreed.

Representative Wayne moved the adoption of Floor Amendment No. 1 to the Committee Substitute to **HB 1**. Agreed.

Representative Moberly moved that the rules be suspended to act on Floor Amendment No. 2 to the Committee Substitute to **HB 1**. Agreed.

Representative Moberly moved the adoption of Floor Amendment No. 2 to the Committee Substitute to **HB 1**. Agreed.

Representative Moberly moved that **HB 1**, by way of Committee Substitute, as amended, be passed.

On the roll call the vote was: **Yeas 95, Nays 0**. (See October 14, 2004, roll call on **HB 1** - Appendix.)

HB 1, by way of Committee Substitute, as amended, was passed.

Representative Moberly moved the adoption of Committee Amendment No. 4 Title to **HB 1**. Agreed.

Representative Moberly moved that the vote by which **HB 1**, by way of Committee Substitute, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Motions, Petitions, and Communications (Continued)

Representative Hoover moved the adoption of the following **Legislative Citation No. 6**.

The House of Representatives of the Commonwealth of Kentucky hereby recognizes and honors Representative Russ Mobley as the esteemed Gentleman from Taylor 51 sits this one out on the sidelines as he recuperates from by-pass surgery. The members of this honorable body are delighted to join with Representative Jeffrey Hoover in extending to this highly-valued colleague and his devoted wife, Carole, warmest wishes for his speedy recovery. Done in Frankfort, Kentucky, this fourteenth day of October, in the year two thousand and four.

Legislative Citation No. 6 was adopted without objection.

Representative Gooch moved the adoption of the following **Legislative Citation No. 4**.

The House of Representatives of the Commonwealth of Kentucky does hereby adjourn this legislative day in loving memory and honor of Jerry Wayne Johnson, July 17, 1950 - September 30, 2004, of McLean County, Kentucky, and joins with Representative Jim Gooch, Jr. in expressing profound sympathy to the Johnson Family and all those who share in the loss of this highly-esteemed citizen, the president and CEO of First Security Bank and Trust. A Glasgow native and graduate of Western Kentucky University, his dedication to the McLean County communities began when he accepted his job with First Security in October 1991. Associated with Island Community Development, the McLean County Industrial Foundation, the McLean County Chamber of Commerce, and the Green River Area Development District, he was a member of Panther Creek Baptist Church and was also active in the statewide banking industry, serving on the Bankers Bank of Kentucky Board of Directors. Survived by his

wife of twenty-three years, Sarah N. Johnson; son, Brian Patrick Johnson; daughter, Lauren Kaye Johnson; and, a host of other family members, friends and associates, this respected citizen is remembered on this day with deep affection for the profound and generous contributions he made to his family, his community, and to this Commonwealth. Jerry Wayne Johnson will be deeply missed by all those whose lives were touched by his remarkable presence. Done in Frankfort, Kentucky, this fourteenth day of October, in the year two thousand and four.

Legislative Citation No. 4 was adopted without objection.

Introduction of Bills and Resolutions (Continued)

HR 20, by Representatives Richards, Thomas, and Wilkey: A RESOLUTION adjourning the House of Representatives in loving memory and honor of Kathryn Talley Gaines Forrester.

Representative Thomas moved the adoption of the following **HR 20**:

HR 20, A RESOLUTION adjourning the House of Representatives in loving memory and honor of Kathryn Talley Gaines Forrester.

With deepest respect and admiration, we pay homage and tribute to Kathryn Talley Gaines Forrester, and we pause in silent reverence for her soul.

WHEREAS, Kathryn Forrester was born on February 2, 1913, a native of Warren County, Kentucky, and she traversed these earthly bounds on October 13, 2004; and

WHEREAS, Kathryn Forrester was the loving daughter of the late N. A. Talley and Nora Terry Talley; she was the devoted wife of the late Paul Lewis Forrester; she was the loving mother and mother-in-law of a daughter, Paula Forrester Tarry and her husband, Bud, of Glasgow; and two sons, Jerry "Peanuts" Gaines and his wife, Marilyn, of Smiths Grove, and William "Bill" Gaines and his wife, Paula, of Bowling Green; she was the proud grandmother of eight grandchildren, Kelly Jenkins, Mike Gaines, Phillip Gaines, and Ashley Buttrum, all of Bowling Green; Ronnie East of Nashville, Tennessee; Miranda Tarry of Glasgow; Terri Lee York of Brownsville; and Nancy Clark of Birmingham, Alabama; and she was also the proud great-grandmother of 10 great-grandchildren; and

WHEREAS, Kathryn Forrester was an outstanding member of the Warren County community, where she was of the Methodist faith; she was the previous owner and operator of the Horse Shoe Court Motel, and she was a former employee of the Kentucky Derby; and

WHEREAS, the passing of Kathryn Talley Gaines Forrester has left a void that cannot be filled, and she is mourned across the length and breadth of the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The House of Representatives does hereby express its profound sense of sorrow upon the passing of Kathryn Talley Gaines Forrester, and extends to her family and friends its most heartfelt sympathy.

Section 2. When the House of Representatives adjourns this day, it does so in loving memory and honor of Kathryn Talley Gaines Forrester.

Section 3. The Clerk of the House of Representatives is hereby directed to transmit a copy of this Resolution to Mrs. Paula Forrester Tarry, 725 Lick Branch Road, Glasgow, Kentucky 42141.

There being no objection, **HR 20** was adopted.

Representative Adkins moved that the rules be suspended for the Introduction of Bills and Resolutions and Report of Committees. Agreed.

Introduction of Bills and Resolutions (Continued)

HR 21, by Representative Burch: A RESOLUTION urging Medicaid-participating nursing facilities to cease the policy of assessing patients and their families additional charges to compensate for the provider tax because the tax is being utilized by the Commonwealth of Kentucky to leverage additional federal funds for increased reimbursement to those facilities, and the pass-through is against the legislative intent of the General Assembly.

HR 22, by Representatives Pullin, L. Clark, and Rand: A RESOLUTION adjourning the House of Representatives in honor of John W. Adams.

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Representatives Adkins moved that no business be conducted tomorrow, October 15, 2004, except for housekeeping measures.

Representative Adkins announced that the House will convene at 12 noon on Monday, October 18, 2004.

Floor Amendments

Floor Amendment No. 1 to **HB 6**, by Representative Webb:

HB 6, On page 8, line 21, by deleting "Records" and inserting in lieu thereof "Non-privileged records".

Floor Amendment No. 1 to the Committee Substitute to **HB 1**, by Representative DeWeese:

HB 1, On page 18, after line 5 and before line 6 by inserting the following:

"Section 6. (1) The Speaker of the House and the President of the Senate are directed to establish the Blue Ribbon Panel on Public Employee Health Benefits, a legislative branch task force, for the purpose of examining all aspects of health benefits available to public employees including the procurement process, benefits offered, plan membership, implementation, maintenance and administration of the plan; alternative methods of providing benefits and services, and any other issues related to public employee health benefits the panel determines to be relevant. The panel shall make recommendations and propose legislation in accordance with the provisions of subsections (3) and (4) of this section.

(2) The panel shall be composed of thirty (30) members as follows:

- (a) Two (2) co-chairpersons, one (1) to be appointed by the Speaker of the House and one (1) to be appointed by the President of the Senate;
- (b) The chairperson of the Advisory Committee of State Health Insurance Subscribers or the chairperson's appointed designee;
- (c) Two (2) representatives from the executive branch, to be appointed by the Governor;
- (d) Two (2) members of the Kentucky House of Representatives, one (1) to be appointed by the Speaker of the House, and one (1) to be appointed by the leader of the minority party;
- (e) Two (2) members of the Kentucky Senate, one (1) to be appointed by the President of the Senate, and one (1) to be appointed by the leader of the minority party;
- (f) One (1) representative from the Judicial Branch, to be appointed by the Chief Justice of the Supreme Court;
- (g) Two (2) members from a list of five (5) representing active certified education employees and two (2) members from a list of five (5) representing retired certified education employees with the list to be submitted by the organization with the largest number of teacher members on payroll deduction, one each to be appointed by the Speaker of the House and the President of the Senate;
- (h) Two (2) members from a list of five (5) representing active classified education employees and two (2) members from a list of five (5) representing retired classified education employees with the list to be submitted by the organization with the largest number of classified members on payroll deduction, one each to be appointed by the Speaker of the House and the President of the Senate;
- (i) Two (2) members from a list of five (5) names submitted by the labor federation with the largest number of state employees, one (1) each to be appointed by the Speaker of the House and the President of the Senate;
- (j) Two (2) members from a list of five (5) names submitted by the Kentucky Association of Counties, one (1) each to be appointed by the Speaker of the House and the President of the Senate;
- (k) Two (2) members from a list of five (5) names submitted the Kentucky League of Cities, one (1) each to be appointed by the Speaker of the House and the President of the Senate;
- (l) Two (2) members representing retired state employees, one (1) each to be appointed by the Speaker of the House and the President of the Senate;
- (m) Two (2) members representing the insurance industry, one (1) each to be appointed by the Speaker of the House and the President of the Senate;
- (n) Two (2) members representing health care providers, one (1) each to be appointed by the Speaker of the House and the President of the Senate.

Organizations or entities required to submit a list of names to the Speaker of the House and President of the Senate shall do so within thirty (30) days of the effective date of this Act. All appointments shall be made within forty-five (45) days of the effective date of this Act. The names of appointees shall be communicated to the Director of the Legislative Research Commission.

- (3) The panel shall initially meet no later than January 15, 2005, and shall submit a written report and proposed legislation in accordance with subsection (4) of this section to the Legislative Research Commission, the Governor and the Chief Justice

of the Supreme Court no later than April 30, 2005. The report and proposed legislation shall be presented to the Interim Joint Committees on Appropriations & Revenue and State Government during the 2005 interim. The panel shall cease to exist upon the delivery and presentation of its report and proposed legislation.

- (4) The panel shall review health benefits available to public employees and shall make recommendations and propose legislation as necessary to address the following areas:
 - (a) The process for receiving input and providing oversight can be improved, including an examination of the composition, function, and duties of the Advisory Committee on State Health Insurance Subscribers established under 218A.225(10) and the Group Health Insurance Board established under 18A.226;
 - (b) The procurement process;
 - (c) Plan benefits, costs and premiums including dependent coverage, relative to surrounding states and the nation at large;
 - (d) Alternative benefits, programs and methods for providing coverage to public employees;
 - (e) Trends in health insurance and the consideration of various implications for the future; and
 - (f) Any other issues the panel identifies.
- (5) The panel may employ consultants if approved by the Legislative Research Commission, request and hear testimony, and take other necessary steps to ensure a thorough study of the issue. The panel shall be staffed by the Legislative Research Commission.
- (6) Except as provided in KRS 18A.200, members of the panel shall receive actual travel expenses while attending meetings.
- (7) Provisions of this section to the contrary notwithstanding, the Legislative Research Commission shall have the authority to alternatively assign the issues identified herein to an interim joint committee or a subcommittee thereof, and to designate a study completion date."; and

By renumbering subsequent sections accordingly.

Floor Amendment No. 2 to the Committee Substitute to **HB 1**, by Representative Moberly:

HB 1, On page 2, line 13, after "X-rays;" by deleting "and";

On page 2, line 13, before the period, by inserting "; diagnostic gynecological exams; diagnostic physicals; and diagnostic tests";

On page 3, line 22, after "limits." by deleting the paragraph return and inserting a space in lieu thereof;

On page 3, line 23, by deleting "1." and the tab;

On page 3, line 24, after "be" by deleting "\$15 per office visit and" and inserting "at" in lieu thereof and by deleting "\$400" and inserting "\$200" in lieu thereof;

On page 3, line 25, by deleting the "." and inserting a ";" in lieu thereof;

On page 3, lines 26 and 27, by deleting the language in its entirety;

On page 5, lines 3 through 9, by deleting the language in its entirety;

On page 5, line 10, by deleting "3." and inserting "2." in lieu thereof;

On page 5, line 11, after "be" by inserting "25% of the cost, except that the minimum and maximum copayments shall be";

On page 6, line 18, after the ";" by deleting "and";

On page 6, line 20, after the ";" by inserting "and";

On page 6, between lines 20 and 21, by inserting the following:

"3. The member's costs incurred for services within the provider's network shall be counted toward the out-of-network deductible;";

On page 6, line 24, by deleting "and";

On page 6, between lines 26 and 27, by inserting the following:

"3. The total annual costs for services within the provider's network shall be included to determine whether the member meets the total annual costs requirement for services outside the provider's network; and";

On page 7, line 7, after "X-rays;" by deleting "and";

On page 7, line 7, before the period, by inserting "; diagnostic gynecological exams; diagnostic physicals; and diagnostic tests";

On page 7, line 9, by deleting "\$15" and inserting "\$10" in lieu thereof;

On page 7, line 26, by deleting "\$15" and inserting "\$10" in lieu thereof;

On page 8, lines 17 through 19, by deleting the language after "1." in its entirety and inserting the following in lieu thereof:

"The employee's cost for the services shall be a \$10 copayment per office visit. There shall be a maximum benefit of \$400 in preventative services at no cost to the employee per year.";

On page 9, line 8, after "be" by deleting the remaining language on that line and inserting "\$20" in lieu thereof;

On page 9, line 9, by deleting "deductible";

On page 9, line 11, by deleting "\$25 plus";

On page 9, line 16, by deleting "\$15" and inserting "\$10" in lieu thereof;

On page 9, line 27, by deleting "\$7.50" and inserting "\$10" in lieu thereof;

On page 9, line 27, by deleting "\$15" and inserting "\$20" in lieu thereof;

On page 10, line 14, by deleting "\$15" and inserting "\$10" in lieu thereof;

On page 10, line 20, by deleting "\$15" and inserting "\$10" in lieu thereof;

On page 11, line 10, after the ";" by deleting "and";

On page 11, line 12, after the ";" by inserting "and";

On page 11, between lines 12 and 13, by inserting the following:

"3. The member's costs incurred for services within the provider's network shall be counted toward the out-of-network deductible;"

On page 11, line 16, by deleting "and";

On page 11, between lines 18 and 19, by inserting the following:

"3. The total annual costs for services within the provider's network shall be included to determine whether the member meets the total annual costs requirement for services outside the provider's network; and";

On page 11, line 26, after "X-rays;" by deleting "and";

On page 11, line 26, before the period, by inserting "; diagnostic gynecological exams; diagnostic physicals; and diagnostic tests";

On page 13, lines 9 through 11, by deleting the language after "1." in its entirety and inserting the following in lieu thereof:

"The employee's cost for the services shall be a \$10 copayment per office visit. There shall be a maximum benefit of \$400 in preventative services at no cost to the employee per year.";

On page 13, line 27, after "be" by deleting the remaining language on that line and by inserting "\$20" in lieu thereof;

On page 14, line 1, by deleting "deductible";

On page 14, line 3, by deleting "\$25 plus 40%" and inserting "30%" in lieu thereof;

On page 14, line 19, by deleting "\$7.50" and inserting "\$10" in lieu thereof;

On page 14, line 19, by deleting "\$15" and inserting "\$20" in lieu thereof;

On page 16, line 2, after the ";" by deleting "and";

On page 16, line 4, after the ";" by inserting "and";

On page 16, between lines 4 and 5, by inserting the following:

"3. The member's costs incurred for services within the provider's network shall be counted toward the out-of-network deductible;"

On page 16, line 8, by deleting "and";

On page 16, between lines 10 and 11, by inserting the following:

"3. The total annual costs for services within the provider's network shall be included to determine whether the member meets the total annual costs requirement for services outside the provider's network; and";

On page 16, line 16, by deleting "The state shall contribute" and inserting "For the period January 1, 2005, through December 31, 2005, the employer contribution shall be";

On page 16, line 17, before the period, by inserting "set forth below";

On page 16, line 18, after "The" by inserting "monthly";

On page 16, line 25, after "The" by inserting "monthly";

On page 17, line 8, before "health" by inserting "family" and before "contribution" by inserting "employer" and by deleting "for single coverage for both individuals";

On page 17, line 9, by deleting "toward the cost of that plan" and inserting "for the statewide weighted average single premium of the plan they select toward the employee contribution for family coverage" in lieu thereof;

On page 17, line 10, by deleting "(4)" and inserting "(3)" in lieu thereof;

On page 17, between lines 13 and 14, by inserting the following:

"(4) A difference in employee contribution rates for smokers and nonsmokers under this plan shall not be deemed to be an

unlawful practice in violation of KRS 344.040.";

On page 18, line 27, by deleting "permanent full-time";

On page 19, line 7, after "provided" by deleting the paragraph return and inserting a space in lieu thereof;

On page 19, line 12, by deleting "\$95,332,500" and inserting "\$88,335,900" in lieu thereof;

On page 19, line 14, after "and", by inserting "to provide";

On page 19, line 15, by deleting "\$11,432,500" and inserting "\$14,099,400" in lieu thereof;

On page 19, line 16, after "benefits" by inserting "and flexible spending contributions";

On page 19, line 17, by deleting "\$16,300,000" and inserting "\$6,636,300" in lieu thereof;

On page 19, line 18, after "employees." by inserting "There is appropriated from the General Fund to the Personnel Cabinet \$2,000,000 in fiscal year 2004-2005 to provide assistance to quasi-governmental employers participating in the state health insurance program for the employer cost of increased benefits to the plan resulting from this Act. The funds will be distributed to participating quasi-governmental employers based on each employer's proportion of the total quasi-governmental participants in the state health plan.";

On page 19, line 20, by deleting "\$397,677,000" and inserting "\$403,458,900" in lieu thereof;

On page 19, line 24, by deleting "\$56,977,000" and inserting "\$58,281,700" in lieu thereof;

On page 19, line 25, after "benefits" by inserting "and flexible spending contributions";

On page 19, line 27, by deleting "cost of living" and inserting "cost-of-living" in lieu thereof;

On page 20, line 1, after "education." by inserting "Included in the above amounts is \$4,441,900 in fiscal year 2004-2005 to support the Kentucky Teachers' Retirement System contributions for associated salary increases for active members.";

On page 20, line 8, after "appropriated", by inserting "from the General Fund";

On page 20, line 15, after "2004-2005" by deleting "as a supplemental" and inserting "and \$1,467,400 in fiscal year 2005-2006 for" in lieu thereof;

On page 20, line 16, after "insurance", by deleting "appropriation";

On page 20, line 20, by deleting "as a supplemental" and inserting "for" in lieu thereof;

On page 20, line 20, after "insurance", by deleting "appropriation";

On page 20, between lines 22 and 23, by inserting the following:

"Section 16. Notwithstanding KRS 78.530, the Personnel Cabinet shall not enter into any new contracts for coverage of employees in the state health plan from the effective date of this Act through December 31, 2005.";

On page 20, line 23, by deleting "16." and inserting "17." in lieu thereof;

On page 20, line 25, by deleting "17." and inserting "18." in lieu thereof;

On page 1, line 22, after "basis" by deleting the remainder of the line;

On page 1, lines 23 and 24, by deleting the language in its entirety;

On page 1, line 25, by deleting "December 31, 2005"; and

On page 2, line 7, after "Premier."" by adding: "The benefits described in this section are subject to the contract with the Commonwealth and the certificates of coverage issued in compliance with KRS Chapter 304.".

Motions, Petitions, and Communications

The following members filed requests to have their names added as co-sponsors of Bills and a Resolution:

HB 1, Representative Napier

HB 3, Representative Embry

HB 5, Representative Yonts

HB 6, Representative Yonts

HR 17, Representative Crimm

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Announcements

The following meetings were announced:

Committee on Appropriations and Revenue - Upon recess, Room 149

Committee on Appropriations and Revenue - 3:00 p.m. today (instead of upon recess)

Committee on State Government - Upon adjournment - Friday, October 15, 2004

Adjournment

Representative Adkins moved that when the House does adjourn it does so until 9 a.m., Friday, October 15, 2004. Agreed.

Representative Adkins moved that the House adjourn.

The motion that the House adjourn until 9:00 a.m., Friday, October 15, 2004, was adopted by voice vote.

FRIDAY, OCTOBER 15, 2004

NINTH LEGISLATIVE DAY

The House was called to order by Speaker Richards.

Prayer by Miriam Picconi, Pastoral Director, Good Shepherd Catholic Church, Frankfort, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives R. Adams, Barrows, Bather, Baugh, Bratcher, Brinkman, Dw. Butler, Comer, Cornett, Crenshaw, Crimm, DeWeese, Draud, Farmer, Fischer, Ford, Hall, Harmon, Higdon, Hoover, S. Lee, Marzian, Meeks, Mobley, Montell, Napier, Pasley, Pullin, Rader, Rand, Rasche, Riggs, Simpson, Stein, Stewart, Turner, Upchurch, Vincent, and Walton.

Representative Ballard moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Ballard moved that the reading of the Journal of October 14, 2004, be dispensed with and the same approved. Agreed.

Representative Ballard moved that the Rules be suspended for the purpose of making a motion concerning co-sponsors. Agreed.

Representative Ballard moved that all properly filed co-sponsor requests be approved. Agreed.

Introduction of Bills and Resolutions

HR 23, by Representative Denham: A RESOLUTION memorializing Ben Randolph Damron.

HR 24, by Representative Palumbo: A RESOLUTION memorializing Webster L. Cowden, Jr.

HR 25, by Representative Palumbo: A RESOLUTION memorializing Esther Crosthwaite Brown.

Reference of Bills and Resolutions

The Clerk reported that the Committee on Committees has referred the following Resolutions:

House Floor: **HR 17, 22, 21**

Calendar

HB 5 and **6** taken from the Calendar and ordered read at length for the second time. Representative Adkins moved that they be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Motion, Petitions, and Communications

Representative Nesler moved the adoption of the following **Legislative Citation No. 5**.

The House of Representatives of the Commonwealth of Kentucky does hereby adjourn this legislative day in loving memory and honor of Bobby L. Jackson and joins with Representative Fred Nesler in expressing deepest sympathy to the Jackson Family and all who share in the profound loss on the passing of this esteemed citizen. Preceded in death by his parents, Lincoln Lee and Lillian Jo Bowman Jackson; a son, William Bryan Jackson; and two brothers, he is survived by his beloved wife, Debbie Jackson; cherished children, William Scott Jackson, Lee Stuart Jackson and S. LeeAnn Jackson Heflin; siblings, Jimmy Jackson, Joy Agrusa, Carolyn Holland and Bronda Galbraith; and, a host of other family members, friends and loved ones. This beloved citizen, a United States Army veteran; retired employee of General Tire; coordinator for Pennyrile Allied Services; and a devoted family man and good friend who delighted in caring for his horses, playing the guitar and singing, playing tennis and golf, and supporting the Mayfield Cardinals and UK Wildcats, is remembered on this day for the many and generous contributions he made to his family, friends and the community. Bobby L. Jackson will be forever remembered and deeply missed by all those whose lives were touched by his remarkable presence. Done in Frankfort, Kentucky, this fifteenth day of October, in the year two thousand and four.

Legislative Citation No. 5 was adopted without objection.

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Representative Palumbo moved the adoption of the following **HR 24**:

HR 24, A RESOLUTION memorializing Webster L. Cowden, Jr.

WHEREAS, Webster L. Cowden, Jr. was a long-time resident of the Commonwealth of Kentucky, living in Lexington, Kentucky; and

WHEREAS, Webster L. Cowden, Jr. was the beloved son of the late Webster Lyter Cowden, Sr. and Callie Taylor Cowden; and

WHEREAS, Webster L. Cowden, Jr. was the loving husband of Susan Sawyer Cowden; he was the loving father of Webster Lyter Cowden III and Catherine Cowden Bryan; and he was the proud grandfather of four grandchildren; and

WHEREAS, Webster L. Cowden, Jr. was the former president of Cowden Manufacturing Company; and was the former president of Tococo Co.; he was the owner of QuaLex LCC, and as such contributed greatly to the good of the economy of the Commonwealth, bringing jobs and economic vitality to the Central Kentucky Region for many years; and

WHEREAS, Webster L. Cowden, Jr. served as a past president and board member of the Lexington Hearing and Speech Center and served as the chair of the Bluegrass Chapter of Ducks Unlimited; and

WHEREAS, Webster L. Cowden, Jr. was a member of the First Presbyterian Church in Lexington; and

WHEREAS, Webster L. Cowden, Jr. benefitted his country through his service in the Army National Guard; and

WHEREAS, Webster L. Cowden, Jr. passed from this world on August 20, 2004;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The House of Representatives does hereby offer its most profound and sincere condolences to the family and friends of Webster L. Cowden, Jr. on the event of his passing and, furthermore, affirms that his loss will be felt not only in the Central Kentucky Region, but throughout the entirety of the Commonwealth, as Webster L. Cowden, Jr. was a man who brought prosperity to the Commonwealth and contributed considerable amounts of his time to the benefit of others.

Section 2. The Clerk of the House of Representatives is directed to transmit four copies of this Resolution to Mrs. Susan Sawyer Cowden, 2000 Hume Road, Lexington, Kentucky, 40516.

There being no objection, **HR 24** was adopted.

Representative Palumbo moved the adoption of the following **HR 25**:

HR 25, A RESOLUTION memorializing Esther Crosthwaite Brown.

WHEREAS, Esther Crosthwaite Brown was a native daughter of the Commonwealth of Kentucky, born in Rowan County and a long-time resident of Lexington, Kentucky at the time of her passing on September 15, 2004; and

WHEREAS, Esther Crosthwaite Brown was the loving wife of the late Royal A. Brown; and

WHEREAS, Esther Crosthwaite Brown was the loving mother of Joyce LeMaster, the proud grandmother of Jennifer Estill, and the proud great-grandmother of two great-grandchildren; and

WHEREAS, Esther Crosthwaite Brown was dedicated to educating the young, being a teacher for a total of 37 years before her retirement, with 18 of those being spent at Stonewall Elementary School in Lexington; and

WHEREAS, Esther Crosthwaite Brown was active in academia, serving as a National Education Association convention delegate from Fayette County and being a member of the Fayette County Retired Teachers Association; and

WHEREAS, Esther Crosthwaite Brown instilled the importance of government in her pupils by making sure that her students knew the processes of government and who their leaders were; and

WHEREAS, Esther Crosthwaite Brown was a woman of political conscience, practicing what she preached through her membership in the League of Women Voters and in the Greater Lexington Democratic Women's Club, tirelessly volunteering for various political campaigns, and working as a Fayette County election officer; and

WHEREAS, for her efforts, Esther Crosthwaite Brown was awarded the Banahan Award and the Jan Hahn Award, and was named 78th Legislative District Outstanding Precinct Officer from the Fayette County Democratic Party; and

WHEREAS, Esther Crosthwaite Brown offered her considerable talents to the Calvary Baptist Church in Lexington, of which she was a member;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The House of Representatives does hereby offer its most profound and sincere condolences to the family and friends of Esther Crosthwaite Brown on the event of her passing from this world and affirms that her efforts in education and in advancing the policies of state and local leaders were considerable and most worthy of praise.

Section 2. The Clerk of the House of Representatives is directed to transmit a copy of this Resolution to Mrs. Joyce LeMaster, 830 North Wilson Avenue, Morehead, Kentucky 40351.

There being no objection, **HR 25** was adopted.

Representative Denham moved the adoption of the following **HR 23**:

HR 23, A RESOLUTION memorializing Ben Randolph Damron.

WHEREAS, Ben Randolph Damron was a native son of the Commonwealth of Kentucky, born in Lincoln County and residing in Stanford at the time of his passing on June 23, 2004; and

WHEREAS, Ben Randolph Damron matriculated from the University of Kentucky securing both a bachelor's degree and a master's degree from that institution; and

WHEREAS, Ben Randolph Damron dedicated his life to the pursuit of education, from educating the young men and women returning to their homeland of the United States of America from the ravages of World War II, in which he, himself, served his country in the Army Air Corps, to teaching the students at Stanford and Lincoln County High Schools; and

WHEREAS, Ben Randolph Damron was rewarded with accolades from the Future Farmers of America and the National Vocational Agriculture Teachers Association for his superlative works; and

WHEREAS, Ben Randolph Damron was an active member of the Stanford Christian Church; and

WHEREAS, Ben Randolph Damron also dedicated his time to Lincoln Lodge No. 60 Free & Accepted Masons, as well as dedicating time to the Lincoln County Retired Teachers Association; and

WHEREAS, Ben Randolph Damron was the loving husband of Jane Raney Damron; and

WHEREAS, Ben Randolph Damron was the beloved father of Robert R. Damron, a valued and long-time member of this honorable body; he was the beloved father of Mary Ann Hirschler; and he was the proud grandfather of Robert Paul Damron;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The House of Representatives does hereby recognize that Ben Randolph Damron's lifelong pursuit of education is one of the noblest endeavors one can embark upon and that he executed his profession in a most excellent way, and that it is fitting and proper that this body honor his work thusly.

Section 2. The House of Representatives offers its most profound and sincere condolences to the friends and family of Ben Randolph Damron on the event of his passing and furthermore extends its sympathy specifically to Robert R. Damron, a senior member of this honorable body.

Section 3. The Clerk of the House of Representatives is directed to transmit three copies of this Resolution to Representative Robert R. Damron, Room 351A, Capitol Annex, Frankfort, Kentucky 40601.

There being no objection, **HR 23** was adopted.

The roll call was opened for co-sponsors and on the roll call on **HR 23** the vote was: **Yeas 46**. (See October 15, 2004, roll call to show co-sponsors on **HR 23**-Appendix.)

Representative Gooch moved the adoption of the following **Legislative Citation No. 8**.

The House of Representatives of the Commonwealth of Kentucky does hereby adjourn this legislative day in loving memory and honor of Georgianna Young Ridley of Venice, Florida, and formerly of Providence, Kentucky, and joins with Representative Jim Gooch, Jr. in expressing profound sympathy to the Ridley and Young Families and all those who mourn the passing of this highly-regarded citizen on February 28, 2004. A graduate of the University of Kentucky, Ms. Ridley was an educator at Broadway Elementary School in Providence, Kentucky, for twenty-one years; had been an active member of First Baptist Church and the Pakendall and Garden Clubs in Providence; and, had served as a member of the Webster County Library Board. Preceded in death by her parents, Eliza Taylor and James O. Young; her cherished husband, Wayne H. Ridley; and, a sister, Pat Young Bennett, she is survived by her daughter, Elizabeth R. Rhoads; son, State Senator J. Dorsey Ridley; grandchildren, Leigh Rhoads, Eliza Rhoads, Margaret Ridley, Martha Ridley, Sarah Ridley and James Ridley; sister-in-law, Rita Grace Ridley; and, a host of other family members, friends and loved ones. Georgianna Young Ridley is remembered on this day with deep affection for the profound and generous contributions she made to her family, her community, and to this Commonwealth and will be deeply missed by all those whose lives were touched by her remarkable presence.

Legislative Citation No. 8 was adopted without objection.

Representative Adkins moved that the rules be suspended for the Introduction of Bills and Resolutions. Agreed.

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Introduction of Bills and Resolutions (Continued)

HR 26, by Representatives Jenkins, L. Clark, P. Clark, Miller, and Horlander: A RESOLUTION adjourning the House in loving memory and honor of Tamara Swartz Butler.

Motions, Petitions, and Communications (Continued)

The following members filed requests to have their names added as co-sponsors of the following Bill:

HB 1, Representatives Belcher, McKee, Ballard, Palumbo, Collins, Gray, Webb, Gooch, Edmonds, Graham, Weaver, J. Thompson, Miller, Damron, Bruce, J. Lee, Sims, Kerr, Couch, B. Smith, Meade, A. Smith, Nesler, Denham, Riner, A. Arnold, Wilkey, Harper, Hoffman, Marcotte, Embry, Westrom, Wayne, and Thomas.

Announcements

The following meetings were announced:

Committee on State Government - 30 minutes upon adjournment - Room 129

Adjournment

Representative Adkins moved that when the House does adjourn it does so until 12 Noon, Monday, October 18, 2004. Agreed.

Representative Adkins moved that the House adjourn.

The motion that the House adjourn until 12 Noon, Monday, October 18, 2004, was adopted by voice vote.

MONDAY, OCTOBER 18, 2004

TENTH LEGISLATIVE DAY

The House was called to order by Speaker Richards.

Prayer by Dr. Gary Straub, First Christian Church, Frankfort, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Bather, Coleman, Farmer, Feeley, Fischer, Haydon, Marzian, Geveden, Meeks, Mobley, Vincent, and Westrom.

Representative Ballard moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Ballard moved that the reading of the Journal of October 15, 2004, be dispensed with and the same approved. Agreed.

Representative Ballard moved that the Rules be suspended for the purpose of making a motion concerning co-sponsors. Agreed.

Representative Ballard moved that all properly filed co-sponsor requests be approved. Agreed.

Introduction of Bills and Resolutions

HR 27, by Representative Lindsay: A RESOLUTION memorializing Hazel M. Chaney.

Reference of Bills and Resolutions

The Clerk reported that the Committee on Committees has referred the following Resolution:

House Floor: **HR 26**

Motions, Petitions, and Communications

Representative Ballard moved the adoption of the following **Legislative Citation No. 9**.

The House of Representatives of the Commonwealth of Kentucky hereby extends deepest sentiments of admiration to "Ain't That Right Johnny" Adams in recognition of his extraordinary feat of serving as a member of the Kentucky House of Representatives for eight years under an assumed name. "Ain't That Right Johnny" Adams, obviously a master of disguise has, upon departing from his familiar stomping grounds in Hopkinsville, shed his hometown moniker and has, by the time he pulls into the Capitol parking lot, assumed the mantle of his alter-ego, ergo, the Gentleman from Christian. The members of this august body are rather pleased and slightly perplexed to join with Representative Eddie Ballard, said recipient's purported friend and colleague, in applauding "Ain't That Right Johnny" Adams, a.k.a., the Gentleman from District 8, on this auspicious occasion and in expressing best wishes to him, whichever mask he dons, as he continues to work for the common good, leaving us to ponder, as he wheels his trusty steed out of the parking lot at the end of the day and heads on down the road, "Just who was that masked man?" Done in Frankfort, Kentucky, this eighteenth day of October, in the year two thousand and four.

Legislative Citation No. 9 was adopted without objection.

Representative Edmonds moved that the rules be suspended to introduce and to act on a Resolution. Agreed.

Introduction of Bills and Resolutions

HR 28, by Representatives Edmonds and Bruce: A RESOLUTION commending the House of Representatives Leadership and the staff of the Legislative Research Commission for their efforts during the 2004 Extraordinary Session.

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Motions, Petitions, and Communications (Continued)

Representative Edmonds moved the adoption of the following **HR 28**:

HR 28, A RESOLUTION commending the House of Representatives Leadership and the staff of the Legislative Research Commission for their efforts during the 2004 Extraordinary Session.

WHEREAS, Governor Ernie Fletcher called the General Assembly into extraordinary session on Tuesday October 5, 2004, for the purpose of considering the compensation, health insurance benefits, and retirement benefits of active and retired public employees; and

WHEREAS, the General Assembly did convene, and upon that convention, House Leadership began building strategies and working in a bipartisan manner in order to propose legislation designed to reduce discontent with the 2005 health insurance plan offered to active and retired public employees--a total number of which would exceed well over 200,000 persons; and

WHEREAS, on Thursday, October 14, after countless hours spent by the House of Representatives Leadership and Legislative Research Commission staff in conferences and in meetings, the House of Representatives passed legislation detailing a revised health care plan for those active and retired public employees with the sincerest hopes that the revised plan will be more affordable and provide coverage commensurate with that offered in previous years; and

WHEREAS, the leadership of the House of Representatives, and indeed the entirety of the General Assembly, depends upon the good counsel and dedicated work of the Legislative Research Commission staff to execute the orders placed before it, and that all the staff excelled at this task when time was a considerable factor and during a time in which the active and retired public employees looked expectantly to the General Assembly for relief;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The membership of the House of Representatives does hereby commend the leadership members of the House of Representatives for their guidance and hard work in engaging the issue of revising the 2005 health care plan, and for producing legislation providing for a revised health care plan that is sincerely hoped to ease the financial burden upon active and retired public employees, thus keeping health care affordable and accessible to these highly-valued citizens of the Commonwealth.

Section 2. The membership of the House of Representatives furthermore lauds the entirety of the staff of the Legislative Research Commission for the manifold and varied roles each played in support of the representatives elected to execute the directives of the citizens of the Commonwealth.

There being no objection, **HR 28** was adopted.

The roll call was opened for co-sponsors and on the roll call on **HR 28** the vote was: **Yeas 67.** (See October 18, 2004, roll call to show co-sponsors on **HR 28**-Appendix.)

Representative Stein moved that the rules be suspended for the purpose of recording a vote. Agreed.

Representative Stein moved that she be recorded as voting "yea" on **HB 1**. Agreed.

Representative Jenkins moved the adoption of the following **HR 26**:

HR 26, A RESOLUTION adjourning the House in loving memory and honor of Tamara Swartz Butler.

With deepest respect and admiration, we pay homage and tribute to Tamara Swartz Butler.

WHEREAS, Tamara Swartz Butler was born on December 31, 1960, a native of New Albany, Indiana, and she traversed these earthly bounds on September 12, 2004; and

WHEREAS, Tamara Swartz Butler was the loving daughter of Jean Swartz; she was the devoted wife of 21 years to Mike Butler; she was the loving mother of daughters, Rachel Butler and Melissa Butler; she was the loving sister of Diane Hyle, Mary Ann Scott, Linda Simms, Bobbi Mayberry and Bryan Swartz; and she also leaves behind her father-in-law, State Representative Denver Butler, and numerous nieces, nephews, cousins, in-laws, aunts, and uncles; and

WHEREAS, Tamara Swartz Butler, lovingly referred to by her husband as "Pretty Girl" and by her daughters as "Pretty Lady," reveled in the love of her family; and

WHEREAS, Tamara Swartz Butler, at the time of her death, was a registered nurse in the recovery room at Norton Suburban Hospital; she is remembered as a caring nurse who brought a sense of assurance and a well-tuned humor to her many patients; and

WHEREAS, Tamara Swartz Butler is remembered by her co-workers throughout her nursing career for her dynamic personality, her commitment to and love of her work, her fun-loving nature, her fondness for playing practical jokes, and as a teacher extraordinaire; and

WHEREAS, the passing of Tamara Swartz Butler has left a void that cannot be filled, and she is mourned across the length and breadth of the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The House of Representatives does hereby express its profound sense of sorrow upon the passing of Tamara Swartz Butler and extends to her family and many friends its most heartfelt sympathy.

Section 2. When the House of Representatives adjourns this day, it does so in loving memory and honor of Tamara Swartz Butler.

Section 3. The Clerk of the House of Representatives is hereby directed to send a copy of this Resolution to Mr. Mike Butler, 9013 Linn Station Road, Louisville, Kentucky 40222 and State Representative Denver Butler, 6712 Morocco Drive, Louisville, Kentucky 40214.

There being no objection, **HR 26** was adopted.

The roll call was opened for co-sponsors and on the roll call on **HR 26** the vote was: **Yeas 70**. (See October 18, 2004, roll call to show co-sponsors on **HR 26**-Appendix.)

Representative Lindsay moved the adoption of the following **HR 27**:

HR 27, A RESOLUTION memorializing Hazel M. Chaney.

WHEREAS, Hazel M. Chaney was an eminently valued resident of Henderson, Kentucky, residing there at the time of her passing on October 3, 2004; and

WHEREAS, Hazel M. Chaney was the loving wife of the late Judge Eugene Chaney; and

WHEREAS, Hazel M. Chaney was the adoring mother of Darrel Chaney, proud grandparent of Mike Eugene Chaney, and proud great-grandparent of two great-grandchildren; and

WHEREAS, Hazel M. Chaney was exceptionally active in her hometown of Henderson, being a member of both the Methodist Hospital board of directors as well as the hospital foundation, and serving the Hugh E. Sanderfur Training Center, the Henderson County Public Library Foundation, the Henderson Community College Foundation, the Emergency Shelter for Women, the Henderson Economic Development Council, the United Way, and the Riverview School, among other organizations; and

WHEREAS, Hazel M. Chaney and her husband were longtime business owners in downtown Henderson, opening their first in the 1930s; and

WHEREAS, for her involvement with the downtown area and the community, the Downtown Henderson Project awarded Hazel M. Chaney its Heart of Henderson Award; and

WHEREAS, Hazel M. Chaney was instrumental in realizing the Chaney House, a group home for at-risk boys of which her husband, before his passing, advocated the creation; and

WHEREAS, Hazel M. Chaney was exceptionally active in the First Christian Church, serving as an elder, and in countless other ways;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The House of Representatives does hereby extend its most sincere condolences and expresses a profound sense of sorrow to the family and friends of Hazel M. Chaney on the event of her passing.

Section 2. The House of Representatives affirms that Hazel M. Chaney was eminently active in her community of Henderson, Kentucky, and through her community involvement and philanthropic interests substantially increased the standard of living of not only the citizens of Henderson, but of the entirety of the population of the Commonwealth.

There being no objection, **HR 27** was adopted.

The roll call was opened for co-sponsors and on the roll call on **HR 27** the vote was: **Yeas 65**. (See October 18, 2004, roll call to show co-sponsors on **HR 27**-Appendix.)

Representative Adkins moved that the House recess until 3:00 p.m. Agreed.

Recess

At the appointed hour, the Speaker resumed the Chair and called the House to order.

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Representative Adkins moved that the House recess until 7:00 p.m. Agreed.

Recess

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Representative Adkins moved that the House recess until 9:00 p.m. Agreed.

Recess

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Motions, Petitions, and Communications (Continued)

The following members filed requests to have their names added as co-sponsors of the following Bill:

HB 1, Representatives Nelson, Pullin, and Stein

Adjournment

Representative Adkins moved that when the House does adjourn it does so until 12:00 p.m., Tuesday, October 19, 2004. Agreed.

Representative Adkins moved that the House adjourn.

The motion that the House adjourn until 12:00 p.m., Tuesday, October 19, 2004, was adopted by voice vote.

TUESDAY, OCTOBER 19, 2004
ELEVENTH LEGISLATIVE DAY

The House was called to order by Speaker Richards.

Prayer by Reverend Alan Sorem, South Frankfort Presbyterian Church, Frankfort, Kentucky.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Coleman, Hall, Meade, Mobley, and Vincent.

Representative Ballard moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Ballard moved that the reading of the Journal of October 18, 2004, be dispensed with and the same approved. Agreed.

Representative Ballard moved that the Rules be suspended for the purpose of making a motion concerning co-sponsors. Agreed.

Representative Ballard moved that all properly filed co-sponsor requests be approved. Agreed.

Introduction of Bills and Resolutions

HR 29, by Representative Pullin: A RESOLUTION urging the Kentucky Congressional Delegation to recognize and find a solution to our nation's health care crisis, including health insurance.

HR 30, by Representative Pullin: A RESOLUTION adjourning the House of Representatives in loving memory and honor of Marshall T. Presley.

HR 31, by Representative J. Arnold: A RESOLUTION memorializing Sam McElroy.

HR 32, by Representative R. Adams: A RESOLUTION honoring Representative Jim Callahan as he leaves this honorable body following seventeen years of dedicated service.

HR 33, by Representative J. Arnold: A RESOLUTION memorializing Sam McElroy.

Senate Message

Message received in regard to **HB 1**: The Senate has passed **HB 1**, by way of Committee Substitute with the following Senate Committee Amendment No. 1, Senate Committee Amendment No. 2, Senate Committee Amendment No. 3, Senate Committee Amendment No. 4, Senate Committee Amendment No. 5, and Senate Committee Title Amendment No. 6 and respectfully requests concurrence of this Honorable Body. (12:45 p.m.)

Motions, Petitions, and Communications

Representative R. Adams moved the adoption of the following **HR 32**:

HR 32, A RESOLUTION honoring Representative Jim Callahan as he leaves this honorable body following seventeen years of dedicated service.

WHEREAS, Jim Callahan assumed office as a member of the House of Representatives in 1987 representing the citizens of Campbell County; and

WHEREAS, during his tenure in the House, the Gentleman from Campbell 67 has been listed as sponsor on more than 544 pieces of legislation, including more than 185 bills that were enacted into law and more than 359 resolutions that were adopted; and

WHEREAS, during his service in the House of Representatives, Jim Callahan helped to establish a Northern Kentucky Convention Corporation, streamlined workers' compensation statutes, established Crime Stoppers organizations, enhanced firefighter programs, created new tourism development tools for Northern Kentucky, improved county retirement programs, and provided a bonus for Vietnam era veterans, to name just a few of his many accomplishments; and

WHEREAS, Jim Callahan's reputation for integrity and commitment to good government for all Kentuckians led to his selection as Chair of the Northern Kentucky Legislative Caucus in 1993, and he was later elected House Majority Caucus Chair in 1995, a post he continues to hold; and

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WHEREAS, Jim Callahan is held in the highest esteem by his colleagues in the House on both sides of the aisle, and his pleasant demeanor, good humor, and friendship will be sorely missed when he leaves this chamber;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The members of the House of Representatives do hereby honor and applaud the outstanding service of Jim Callahan, not only to the citizens of Campbell County, but to all citizens of the Commonwealth.

Section 2. The House of Representatives wishes Jim a long and happy retirement, and many years of enjoyment with his wife Diane, their children, and grandchildren.

Section 3. When the House of Representatives adjourns this day, it does so in honor of Jim Callahan, the Gentleman from Campbell 67.

There being no objection, **HR 32** was adopted.

The roll call was opened for co-sponsors and on the roll call on **HR 32** the vote was: **Yeas 90**. (See October 19, 2004, roll call to show co-sponsors on **HR 32-Appendix**.)

Representative Jenkins moved the adoption of the following **HR 17**:

HR 17, A RESOLUTION encouraging the Secretary of the Kentucky Cabinet for Health and Family Services to maintain Eastern State Hospital and Central State Hospital in their communities.

WHEREAS, in June, 2004, Secretary James Holsinger of the Cabinet for Health and Family Services distributed a concept paper recommending the closing of Eastern State Hospital in Lexington and Central State Hospital in Louisville, and recommending construction of a consolidated mental health hospital to be located between those cities, at a cost of \$60 million to \$70 million; and

WHEREAS, Eastern State Hospital has averaged 153 residents each day this fiscal year and Central State Hospital has averaged 96 residents each day; and

WHEREAS, the Cabinet for Health and Family Services has held two public forums this year during which testimony from interested persons was solicited; and

WHEREAS, during the public forums, considerable testimony expressed support for better services for persons with mental illness, as well as opposition to the hospital relocation and consolidation at least until more consideration can be given to all associated care issues; and

WHEREAS, the proposal would cause more consumers of the hospitals' services to be moved farther away from their home communities and from their support systems, including their families; and

WHEREAS, the proposal to build one large facility is reminiscent of outdated treatment methods of past ages when large facilities were the norm; and

WHEREAS, preferred treatment protocol requires services to be available in a continuum of care, with hospital settings utilized as a necessary part of the continuum; and

WHEREAS, closure of either hospital and relocation would cause disruption and strain on the training of mental health professionals and hamper the ability to conduct on-site research, resulting in failure to serve the best needs of the hospitals' current and future patients; and

WHEREAS, moving the hospitals from critical triage and medical services in Jefferson and Fayette Counties would be detrimental to maintaining the continuum of medical and psychiatric care; and

WHEREAS, closure of the hospitals would sever the critical relationship established with law enforcement and the judicial systems, and would create difficulties for handling transfers from the Kentucky State Reformatory and the Kentucky Correctional Psychiatric Center; and

WHEREAS, Eastern State Hospital, a 180 year-old facility, should be replaced with a state-of-the-art modern facility in Fayette County to allow for more specialized and diversified care; and

WHEREAS, Central State Hospital, an 18 year-old facility, should be retained in the Louisville community; and

WHEREAS, the mental health needs, including but not limited to the inpatient mental health needs, should be assessed in all areas of the state, not just those in the Eastern State Hospital and Central State Hospital districts; and

WHEREAS, numerous organizations representing consumers, family members, advocates, and providers have expressed their opposition to the proposal to close Eastern State Hospital and Central State Hospital and build a separate psychiatric hospital in a different community;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. It is the sense of the House of Representatives that Eastern State Hospital and Central State Hospital should remain in their current communities, and services to individuals needing hospitalization should continue and should be improved.

Section 2. The Secretary of the Kentucky Cabinet for Health and Family Services should maintain Eastern State Hospital and Central State Hospital in their current communities, and efforts should be continued to improve mental health services for all Kentuckians.

Section 3. The Clerk of the House of Representatives is directed to forward a copy of this Resolution to Secretary James Holsinger, Cabinet for Health and Family Services, 275 East Main Street, Frankfort, Kentucky 40621.

There being no objection, **HR 17** was adopted.

Representative Burch moved the adoption of the following **HR 21**:

HR 21, A RESOLUTION urging Medicaid-participating nursing facilities to cease the policy of assessing patients and their families additional charges to compensate for the provider tax because the tax is being utilized by the Commonwealth of Kentucky to leverage additional federal funds for increased reimbursement to those facilities, and the pass-through is against the legislative intent of the General Assembly.

WHEREAS, nursing facilities are among the many categories of health care providers that nurture the citizens of Kentucky; and

WHEREAS, many of these nursing facilities participate in the state Medicaid program, which offers health care and nursing services to our most vulnerable citizens; and

WHEREAS, Kentucky has utilized a health care provider tax since 1993 to leverage federal matching funds to allow for increased services to more citizens and increased reimbursement to more health care providers who participate in the Medicaid program; and

WHEREAS, the 2004 General Assembly was requested by the state's two nursing home associations to enact an additional four percent provider tax on gross revenues received for the provision of certain nursing facility services to be used to secure more federal matching funds for the purpose, in part, of increasing reimbursement to nursing facilities that participate in the Medicaid program; and

WHEREAS, the General Assembly was led to believe by the associations that their members supported the provider tax; and

WHEREAS, the 2004 General Assembly passed House Bill 292, which, among other things, incorporated the provider tax and reimbursement strategy that had been urged by the associations; and

WHEREAS, it is projected that this provider tax will result in additional federal revenues of nearly \$141 million, in addition to the actual tax collected; and

WHEREAS, it is estimated that almost all of Kentucky 325 nursing homes will receive increased reimbursement that exceeds the provider tax paid by them during each year of provider tax collection; and

WHEREAS, the General Assembly did not authorize Medicaid-participating nursing facilities to assess patients and their families additional charges to compensate for the provider tax because the tax funds and additional federal funds will be returned to the facilities in the form of increased reimbursement that will exceed the tax paid; and

WHEREAS, the General Assembly has learned that several Medicaid-participating nursing facilities are assessing patients and their families additional charges to compensate for the provider tax, and yet the facilities are not reimbursing the residents and families when the funds are returned through increased reimbursement;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) Any action of a Medicaid-participating nursing facility to pass along the provider tax to residents and their families is contrary to public policy and contrary to statute.

(2) It is the sense of the House of Representatives that any Medicaid-participating nursing facility that passes along the provider tax to patients and their families should immediately cease such action and should refund the amounts paid by them.

(3) The actions of this small minority of nursing facilities may jeopardize the continued viability of the provider tax and the increased reimbursement strategy if the General Assembly is required to scrutinize the actions and review the provider tax during the 2005 Regular Session.

Section 2. The Clerk of the House of Representatives is directed to forward a copy of this Resolution to Dr. James Holsinger, Secretary, Cabinet for Health and Family Services, 275 East Main Street, Frankfort, Kentucky 40621, and to the following persons, for distribution to their members: Richard G. Miller, President, Kentucky Association of Health Care Facilities, 9403 Mill Brook Road, Louisville, Kentucky 40223; and Timothy L. Veno, President, Kentucky Association of Homes and Services for the Aging, 2501 Nelson Miller Parkway, Louisville, Kentucky 40223.

There being no objection, **HR 21** was adopted.

Representative Pullin moved the adoption of the following **HR 22**:

HR 22, A RESOLUTION adjourning the House of Representatives in honor of John W. Adams.

WHEREAS, John W. Adams is a farmer and Real Property Appraiser by profession; he graduated from the University of Kentucky with an MS degree in Agriculture Economics; he served as business officer and registrar of Hopkinsville Community College for four years, and he served as director of the Pennyriple Area Development District for 24 years; and he is a devout member and deacon of the First Christian Church in Hopkinsville; and

WHEREAS, John W. Adams was elected to the Kentucky House of Representatives in 1997; a loyal Democrat, he has proudly served his constituents from the 8th Legislative District of Christian and Trigg counties, serving on the Banking and Insurance Committee, the Committee on Local Government, and the State Government Committee; and during his political career, he has demonstrated extraordinary vision and leadership, and has always adhered to high moral principles; and

WHEREAS, as with family tradition, his father, Ben Shouse Adams, ably served his constituents in the 6th Senatorial District from 1951-1955; and when we reflect upon the contributions John W. Adams has tirelessly given to the citizens of this Commonwealth throughout his career as a public servant, we are reminded that ethics and integrity have played a large part toward his achievement as an outstanding legislator, and his accomplishments should serve as an example for those who succeed him;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The House of Representatives does hereby recognize John W. Adams for his immeasurable contributions to the citizens of the Commonwealth of Kentucky, and we wish him continued success in all future endeavors.

Section 2. When the House of Representatives adjourns this day, it does so in honor of John W. Adams.

Section 3. The Clerk of the House of Representatives is hereby directed to transmit a copy of this Resolution to the Honorable John W. Adams, 6255 Huffman Mill Road, Hopkinsville, Kentucky 42240.

There being no objection, **HR 22** was adopted.

Representative Pullin moved the adoption of the following **HR 30**:

HR 30, A RESOLUTION adjourning the House of Representatives in loving memory and honor of Marshall T. Presley.

With deepest respect and admiration, we pay homage and tribute to Marshall T. Presley, and we pause in silent reverence for his soul.

WHEREAS, Marshall T. Presley was born on April 6, 1923, a native of Davenport, Virginia, and longtime resident of Flatwoods, Greenup County, Kentucky, and he traversed these earthly bounds on August 18, 2000; and

WHEREAS, Marshall T. Presley was the loving son of the late Harmon and Mary Presley; he was the devoted husband of 49 years to Geneva Keen Presley; he was the loving father of five children, Janet Sweeney of Winchester, Rick Presley of Russell, and Rita Salyers, Brenda Presley, and Annette Murphy, all of Flatwoods; and he was the proud grandfather of five grandchildren, Julie Hall, Josh Presley, David Murphy, Tyler Murphy, and Shelli Murphy; and he also was preceded in death by a grandson, Christopher Presley; and

WHEREAS, Marshall T. Presley served his country with honor and distinction in the United States Army during World War II, where he served in Europe and Africa; and

WHEREAS, Marshall T. Presley was a devout member and deacon of the Cannonsburg Primitive Baptist Church; and he retired from Armco after 33 years of dedicated service; and

WHEREAS, the passing of Marshall T. Presley has left a void that cannot be filled, and he is mourned across the length and breadth of the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The House of Representatives does hereby express its profound sense of sorrow upon the passing of Marshall T. Presley, and extends to his family and friends its most heartfelt sympathy.

Section 2. When the House of Representatives adjourns this day, it does so in loving memory and honor of Marshall T. Presley.

Section 3. The Clerk of the House of Representatives is hereby directed to transmit a copy of this Resolution to Mr. David Murphy, 220 Tupelo Trail, Apt. 74, Frankfort, Kentucky 40601.

There being no objection, **HR 30** was adopted.

Representative Hoffman moved that the rules be suspended to introduce and to act on a Resolution. Agreed.

Introduction of Bills and Resolutions (Continued)

HR 38, by Representatives Hoffman, Nesler, Buckingham, Geveden, Denham, Gray, J. Lee, L. Clark, Weaver, Miller, Richards, Dw. Butler, Napier, Moberly, Pasley, and McKee: A RESOLUTION urging the Governor, members of the Kentucky General Assembly, and employers of the Commonwealth to restrict policies and practices encouraging or leading to the off-shoring of jobs from the Commonwealth.

Motions, Petitions, and Communications (Continued)

Representative Hoffman moved the adoption of the following **HR 38**:

HR 38, A RESOLUTION urging the Governor, members of the Kentucky General Assembly, and employers of the Commonwealth to restrict policies and practices encouraging or leading to the off-shoring of jobs from the Commonwealth.

WHEREAS, the recent recession, slow economic recovery, and a number of plant closings have created economic hardship in many Kentucky communities; and

WHEREAS, the act of off-shoring could result in the relocation of Kentucky jobs in a foreign country; and

WHEREAS, the costs savings attributed to off-shoring are often over estimated; and

WHEREAS, the act of off-shoring, and the threat of such, affects employee morale by creating anxiety within the workforce regarding job security, levels of compensation, and the maintenance of health care benefits; and

WHEREAS, there are concerns about protecting private information and intellectual property rights when work is performed offshore; and

WHEREAS, Kentucky is striving to develop a new economy which generally relies on high-tech, high wage jobs, which are now being targeted for off-shoring; and

WHEREAS, Kentucky seeks to increase its economic prosperity by utilizing every opportunity to attract and retain businesses, educate and train its workforce, and strengthen its economy;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. Public and private employers, consultants, counselors, and advisers are encouraged to refrain from activities that promote or encourage the off-shoring of jobs from Kentucky and are encouraged to examine current employment policies and practices to ensure that all necessary steps are being taken to develop and retain employment within the Commonwealth, minimizing the economic damage to Kentucky workers.

Section 2. The Clerk of the House of Representatives is directed to transmit a copy of this Resolution to each member of the Kentucky General Assembly; to Ernie Flethcer, Governor of the Commonwealth of Kentucky, 700 Capital Avenue, Suite 100, Frankfort, Kentucky 40601; and to Marvin E. Strong, Jr., Secretary, Cabinet for Economic Development, 500 Mero St., Capital Plaza Tower, Frankfort, KY 40601.

There being no objection, **HR 38** was adopted.

Representative J. Arnold moved the adoption of the following **HR 33**:

HR 33, A RESOLUTION memorializing Sam McElroy.

WHEREAS, Sam McElroy was a native son of the Commonwealth of Kentucky, residing in Waverly at the time of his passing on October 17, 2004; and

WHEREAS, Sam McElroy was the loving husband of Annie McElroy for 57 years; and

WHEREAS, Sam McElroy was the adoring father of Susan Michael, James McElroy, Charles McElroy, and S. Martin McElroy, Jr.; and

WHEREAS, Sam McElroy served as a captain under General Patton's command in the 3rd Army in World War II; and

WHEREAS, Sam McElroy was an active member in the Morganfield Presbyterian Church where he served as an elder;

and

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WHEREAS, Sam McElroy was active in the business community and agricultural community and was presented with the AG Alumni of the Year award from the University of Kentucky in 1982; and

WHEREAS, Sam McElroy was a member of the House of Representatives of the General Assembly for ten years, beginning his service to the 7th district in 1984 and concluding his service to the Commonwealth and his constituency in 1994 upon his retirement; and

WHEREAS, Sam McElroy served faithfully on the Kentucky Judicial Form Retirement System from 1988 through 1994 which, during his term, certainly prospered and provided exceptional service to the retired legislators and their beneficiaries;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The House of Representatives does hereby express its sincere condolences and sympathy to the family and friends of Sam McElroy on the event of his passing.

Section 2. The House of Representatives affirms that Sam McElroy's service to the General Assembly, his constituents, and, consequently, to the entirety of the population of the Commonwealth of Kentucky was great and most worthy of remembrance.

Section 3. The Clerk of the House of Representatives is directed to transmit five copies of this Resolution to Mrs. Annie McElroy, 5092 U.S. Highway 60 East, Waverly, Kentucky 42437.

There being no objection, **HR 33** was adopted.

The roll call was opened for co-sponsors and on the roll call on **HR 33** the vote was: **Yeas 80**. (See October 19, 2004, roll call to show co-sponsors on **HR 33-Appendix**.)

Representative J. Arnold moved the adoption of the following **Legislative Citation No. 11**.

The House of Representatives of the Commonwealth of Kentucky hereby pays tribute to the memory of Sam Martin McElroy and joins with Representative John A. Arnold, Jr. in expressing profound sympathy to the McElroy Family and all those who share in the loss of this highly-regarded citizen. The son of the late Caswell Bennett and Lola O'Nan McElroy, he was preceded in death by a brother, James, and great-granddaughter, Payton Michael. He is survived by his cherished wife of fifty-seven years, Annie Meacham McElroy; beloved children, Susan Michael, James, S. Martin Jr., and Charles; four grandchildren; three great-grandchildren; and, a host of other family members, friends and loved ones. A graduate of the University of Kentucky and an honorable veteran of the United States Army who served as a captain in General George S. Patton's 3rd Army during World War II, this esteemed honoree returned to Morganfield, Kentucky, upon being discharged from his military service and subsequently labored as a successful business owner in Union County, an endeavor in which he served as a former director of the Morganfield National Bank and was named the 1982 recipient of the AG Alumni of the Year Award by the University of Kentucky in recognition of his many contributions as a farmer and to the field of agriculture. In addition, he served as an elder of the Morganfield Presbyterian Church and labored with great integrity on behalf of his constituents in the 7th District during his tenure as a State Representative from 1984 to 1994. Sam Martin McElroy is remembered on this day for the many and generous contributions he made to his family, his community, and to this Commonwealth and will be deeply missed by all those whose lives were touched by his remarkable presence. Done in Frankfort, Kentucky, this nineteenth day of October, in the year two thousand and four.

Legislative Citation No. 11 was adopted without objection.

Representation Damron moved that **HR 12** be withdrawn. Agreed.

Representative Geveden moved that the rules be suspended to allow the Committee on State Government to meet. Agreed.

Representative Farmer moved that the rules be suspended for the purpose of recording a vote. Agreed.

Representative Farmer moved that he be recorded as voting "yea" on **HB 1**. Agreed.

Representative Adkins moved that the House recess until 3:30 p.m. Agreed.

Recess

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Representative Adkins moved that the House recess until the adjournment of a meeting of the Majority Caucus. Agreed.

Recess

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Representative Adkins yielded to Representative Geveden for a House Committee on State Government report. Agreed.

Representative Geveden moved that the House Committee on State Government Report be spread upon the Journal. Agreed.

KENTUCKY GENERAL ASSEMBLY REPORT OF THE HOUSE STATE GOVERNMENT COMMITTEE 2004 Extraordinary Session October 18, 2004

Background

On September 7, 2004, the Governor presented his health insurance plan for state employees, teachers, and retirees for the 2005 calendar year.

Data from the National Council of State Legislatures show that, in 2003, Kentucky teachers and state employees were paying the highest monthly premiums for family coverage of any state employees nationwide. Kentuckians paid nearly \$514 per month compared to a national average of \$167 for family coverage. Premiums in the Governor's plan would be even higher.

Teachers, school and state employees under the Governor's plan would have been forced to pay a "co-insurance" for services rather than the "co-payment" based on their plan option. The administration stated that the higher costs of health insurance would be offset by state employees receiving a 2 percent increment to their base pay. The Kentucky Education Association came out in opposition to the plan saying that the 2 percent increment would not totally offset the increase in health insurance costs and that their members would end up losing ground. The new plan would have shifted more of the cost of health insurance to plan members and required them to meet high deductibles, which generally would not be met unless the employee had a tremendously high utilization for medical services and prescription drugs.

Cross-referencing has been a long-standing benefit for married couples who both work within the health insurance group. The state would allow each person to apply his or her state contribution toward the cost of family coverage. Under the proposed plan, cross-referencing was not addressed; and a couple with children would have been forced to take two separate plans, one with single coverage and the other with parent plus coverage. By doing this, the family would have separate plans with two separate deductibles if the changes had been implemented, causing a significant increase in total out-of-pocket medical expenses.

Teachers, school and state employees and retirees would have faced insurance costs (both premiums and out-of-pocket costs) significantly higher than those of previous years.

Kentucky's teachers, one of its most valuable assets, protested the new health insurance plan. The Kentucky Education Association organized a day of protest during which teachers demonstrated their frustrations by rallying at the Capitol to demand changes. A statewide teacher's strike is threatened for October 27 unless a more affordable health care plan is provided for them. State employee associations strongly voiced their displeasure.

On October 4, the Governor issued a Proclamation calling the General Assembly into Extraordinary Session on October 5th to address the health insurance crisis for teachers, state employees, and retirees. The House State Government Committee, in an effort to understand the process by which the health insurance plan was developed and awarded to insurance carriers, held a series of meetings to investigate the chain of events leading to the awarding of the state health insurance contracts. Mason's Manual of Legislative Procedure, Chapter 73, states:

The right of a legislative body to make investigations in order to assist it in the preparation of wise and timely laws must exist as an indispensable incident and auxiliary to the proper exercise of legislative power. This has been recognized from the earliest times in the history of U.S. legislation, both federal and state, and from even earlier epochs in the development of British jurisprudence.

The legislature has the power to investigate any subject regarding which it may desire information in connection with the proper discharge of its function to enact, amend, or repeal statutes or to perform any other act delegated to it by the constitution.

The goal of the House State Government Committee was to better understand the process by which the state health insurance request for proposal (RFP) was developed, evaluated, and awarded; and to make recommendations to improve the process for future years.

Additionally, the committee wanted to know the role of Mr. Mark Birdwhistell, former president of CHA Health Insurance Company (CHA), and now undersecretary of Health in the Cabinet for Health and Family Services, in the awarding of the state health insurance contracts. Mr. Birdwhistell has expertise in the area of health insurance through his experience with CHA. He assisted in presenting a description of the new health insurance contracts to the Interim Joint Committee on State Government on September 22, 2004. The Governor has stated that Mr. Birdwhistell was a "principal architect" of the state health insurance plan. Mr. Birdwhistell's former employer was awarded exclusive insurance contracts for two Eastern Kentucky regions. In the interest of fairness to the state and its citizens, and in the pursuit of fairness for Mr. Birdwhistell who may be subject to an inaccurate perception of unethical conduct, the House State Government Committee investigated the awarding of the health insurance contracts.

Committee Meetings

The secretary of the Personnel Cabinet testified at the first meeting concerning the development of the state health insurance plan for 2005 and the development of the RFP. He distinguished the roles of the Personnel Cabinet and the Finance and Administration Cabinet in the process. He also testified regarding his knowledge of the involvement of Mr. Birdwhistell and other administrators from the Cabinet for Health and Family Services in the RFP process.

The second committee meeting featured the secretary of the Finance and Administration Cabinet and the director of the Office of Material and Procurement Services in the Finance and Administration Cabinet. The Secretary explained the development of the RFP, and the Director explained the bidding process, beginning with the receipt of the RFP and culminating with the issuance of contracts. A helpful flow-chart outlining the process was provided to members.

The third meeting featured a wide-ranging discussion of the state employee health insurance program, including budgetary limitations imposed by the state budget office. Testimony was given by the secretary of the Personnel Cabinet, several participants in the ten-member 2005 health insurance evaluation team, the secretary of the Finance and Administration Cabinet, the executive director of the Office of Material and Procurement Services, the State Budget Director and his deputies, and the actuary who was consulted on the health insurance contract.

The State Budget Director and his deputies testified as to the financial condition of the state when the Governor made his decision about the dollar amount for health insurance that was included in his proposed budget. The amount projected for 2005 health insurance premiums based on the 2004 benefit plan exceeded that amount, thereby triggering changes in the 2005 health benefit package.

The fourth meeting was held to receive copies of documents requested by the committee from state agencies. No testimony was taken.

At the fifth meeting, the House co-chair of the Government Contract Review Committee suggested that all contracts, including state health insurance contracts, be submitted to his committee for review. The executive director of the Executive Branch Ethics Commission discussed Commission Advisory Opinions, which dealt with new state hires and their participation in matters relating to their previous employers.

The investigation concluded at the sixth meeting at which undersecretary Birdwhistell and the secretary of the Cabinet for Health and Family Services gave a detailed explanation of their roles in the contracting process for 2005 state government health insurance and discussed their prior employment at the University of Kentucky and CHA.

Conclusions and Recommendations

Based on testimony at committee meetings and a review of documents relating to the health care plan supplied to the committee, the conclusions and recommendations of the House State Government Committee are as follows:

- In light of the forthright testimony of Mr. Mark Birdwhistell, the committee finds that although some individuals had a perception that Mr. Birdwhistell may have engaged in unethical conduct, there was no evidence presented to the committee that Mr. Birdwhistell violated any criminal laws or provisions of the Executive Branch Ethics Code.
- The committee recommends amending the Executive Branch Ethics Code to prohibit a state employee from being involved in, taking part in discussions, or taking any official action relating in any way to his or her past employer for a period of one year after the date of becoming a state employee. This conclusion is consistent with a recommendation made in Advisory Opinion 98-31 of the Executive Branch Ethics Commission.
- Recognizing the importance of executive branch employees' knowledge of Executive Branch Ethics Code requirements as soon as they are hired, the committee supports legislation to require the Executive Branch Ethics Commission to provide a comprehensive program of mandatory training for employees that would include but not be limited to: a requirement for a signed statement from each employee affirming their completion of the training, an orientation program for newly hired employees, and a continuing program of education for all employees. The committee recommends that ethics code education include classroom training, educational materials, and the commission's web site, with the cooperation of agency designated ethics officers.
- The Committee endorses the provisions of 2004 SS House Bill 1 that require the secretary of the Personnel Cabinet to provide employee organizations that are represented on the Advisory Committee of State Health Insurance Subscribers with information necessary so that the member representing the organization can fulfill his or her responsibilities. Likewise, we endorse provisions allowing the co-chairs of the Interim Joint Committee on Appropriations and Revenue to require the secretary of the Personnel Cabinet to appear and report on the health insurance program for the next year prior to the issuance of an RFP.
- The committee endorses the provisions of 2004 SS House Bill 1 that require the establishment of a Blue Ribbon Panel on Public Health Benefits.
- Upon the issuance of the annual state government health insurance RFP to vendors, the health benefit grids should be immediately and prominently posted on the Kentucky Personnel Cabinet Web site. When the health insurance contract is awarded, the rate chart should be immediately posted in the same manner. These actions would serve to better inform state employees, teachers, and retirees of critical health insurance information.
- Although KRS 45A.690(1)(f) requires that all personal service contracts be submitted to the Government Contract Review Committee for review, state health insurance contracts have not been submitted to the committee for many years. Recognizing that the health insurance contract is the largest single contract awarded annually by the state, the committee recommends that language be added to KRS 45A.690(1)(f) to specifically require that state health insurance contracts be submitted to the Government Contract Review Committee for review.
- The Personnel Cabinet, the Finance and Administration Cabinet, and the Blue Ribbon Panel on Public Employee Health Benefits should aggressively study and evaluate the advantages and disadvantages of self-insurance administered by a third-party administrator and report their findings and a comparative analysis of state health insurance programs in contiguous states to the Interim Joint Committee on State Government, the Interim Joint Committee on Local Government, the Interim Joint Committee on Banking & Insurance, and the Interim Joint Committee on Education before RFPs are finalized for the 2006 calendar year.
- Health care regions should reflect the market where patients normally see their doctors and specialists and receive hospital care. Kentucky's geography and availability of health care providers and hospitals should be taken into consideration.
- The House State Government Committee expresses its sincere appreciation to everyone who participated and testified in its inquiry.

Orders of the Day

HB 1, with Senate Committee Substitute and Senate Committee Amendments attached thereto, taken from the Orders of the Day. Representative Adkins moved that it be placed upon its passage for concurrence or non concurrence. Agreed.

The Senate Committee Substitute to **HB 1** is as follows:

HB 1, AN ACT relating to employee benefits, making an appropriation therefor, and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The General Assembly finds and declares that:

- (1) The contracts for the policies for group health care coverage provided pursuant to KRS 18A.225 for the period

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January 1, 2005, through December 31, 2005, were negotiated under a spending plan developed by the Governor, in the absence of a specific appropriation by the General Assembly;

(2) The health plans proposed for public employees are detrimental to the morale of public employees and harm the Commonwealth's ability to attract and retain qualified employees;

(3) The Governor issued a proclamation on October 4, 2004, convening the General Assembly for the sole purpose of considering the compensation, health insurance benefits, and retirement benefits of active and retired public employees, and to make an appropriation therefor; and

(4) It is in the best interest of the Commonwealth to modify or replace the contracts for health care for the period January 1, 2005, to December 31, 2005, in order to provide adequate and affordable health coverage for employees of the Commonwealth.

Section 2. Notwithstanding KRS 18A.225, 45A.022, 45A.080, 45A.085, 45A.090, 45A.225 to 45A.290, or any other provision of KRS Chapter 45A to the contrary, retroactive to August 12, 2004, the Finance and Administration Cabinet shall implement the provisions of this Act by amending the previously negotiated contracts for public employee health insurance. The secretary of the Finance and Administration Cabinet shall provide an actuarial certification that the self-insured contract amounts are actuarially sound. Any contracts entered into or modified pursuant to this section shall be forwarded to the Legislative Research Commission.

Section 3. For the period January 1, 2005, through December 31, 2005, the policy or policies for group health care coverage provided pursuant to KRS 18A.225 shall contain three health plans which shall be named "Commonwealth Essential," "Commonwealth Enhanced," and "Commonwealth Premier." The benefits described in this section shall be incorporated into the contracts pursuant to Section 2 of this Act for the policies and shall be reflected in the certificates of coverage issued in compliance with KRS Chapter 304.

- (1) For purposes of this section, "cost" means an eligible expense which:
 - (a) Is the provider's usual charge for a given service under the covered person's plan; and
 - (b) is within the range of fees charged by providers of similar training and experience for the same or similar service or supply within the same or similar geographic area; and
 - (c) does not exceed the fee schedule developed by the carrier for a network provider.
- (2) The benefits provided under the Commonwealth Essential plan shall be as follows:
 - (a) Outpatient services, which shall include physician or mental health provider office visits; diagnostic and allergy testing; allergy serum and injections; diabetes education and therapy; injections; lab fees; X-rays; and mental health or chemical dependency services.
 1. The member's cost for the services within the provider's network shall be no more than 25% of the cost per visit after meeting the deductible.
 2. For services outside the provider's network, the plan shall pay at least 50% of the cost after the member has met the deductible.
 3. The member's cost shall include all services performed on the same day at the same site;
 - (b) Care in a hospital, which shall include coverage for provider services; inpatient care; semi-private room; transplant coverage, including kidneys, cornea, bone marrow, heart, liver, lungs, heart and lung, and pancreas; and mental health and chemical dependence services.
 1. The member's cost for the services within the provider's network shall be no more than 25% of the cost after meeting the deductible.
 2. For services outside the provider's network, the plan shall pay at least 50% of the cost after the member has met the deductible;
 - (c) Diagnostic testing, which shall include laboratory tests; X-rays and other radiology or imaging services; and ultrasound and approved machine testing services performed for the purpose of diagnosing an illness or injury.
 1. The member's cost for the services within the provider's network shall be no more than 25% of the cost after meeting the deductible.
 2. For services outside the provider's network, the plan shall pay at least 50% of the cost after the member has met the deductible.
 3. The member's cost shall include all services performed on the same day at the same site. Diagnostic testing performed in a physician's office in conjunction with an office visit shall be included in the member's cost under paragraph (a) of this subsection for the office visit;
 - (d) Ambulatory hospital and outpatient surgery services, which shall include outpatient surgery services, including biopsies, radiation therapy, renal dialysis, chemotherapy, and other outpatient services not listed under diagnostic testing performed in a hospital or other ambulatory center other than a physician's office.
 1. The member's cost for the services within the provider's network shall be no more than 25% of the cost after meeting the deductible.

2. For services outside the provider's network, the plan shall pay at least 50% of the cost after the member has met the deductible;
- (e) Preventative care, which shall include an annual gynecological exam, well child care, routine physical, and early detection tests subject to age and periodicity limits. Preventative care shall be paid at 100% by the plan up to a maximum of \$200 per covered individual in services during a calendar year. The plan shall pay 100% of eligible immunizations;
- (f) Emergency services, which shall include emergency room treatment, emergency room physician charges, urgent care center treatment, and ambulance services resulting from an emergency medical condition as defined in KRS 304.17A-500, and shall also include emergency screening and stabilization services.
 1. The member's cost for emergency room treatment and emergency room physician charges within the provider's network resulting from an emergency medical condition shall be \$50 plus 25% of the cost after meeting the deductible. If the member is admitted to the hospital, the \$50 copayment shall be waived.
 2. For emergency room treatment and emergency room physician charges outside the provider's network resulting from an emergency medical condition, the plan shall pay at least 50% of the cost after the member has paid \$50 and has met the deductible. If the member is admitted to the hospital, the \$50 copayment shall be waived.
 3. The member's cost for urgent care and ambulance services within the provider's network shall be no more than 25% of the cost after meeting the deductible.
 4. For urgent care and ambulance services outside the provider's network, the plan shall pay at least 50% of the cost after the member has met the deductible;
- (g) Maternity care, which shall include prenatal care; labor; delivery; postpartum care; and one ultrasound per pregnancy. Additional ultrasounds shall be covered with prior plan approval.
 1. The member's cost for office visits within the provider's network shall be no more than 25% of the cost after meeting the deductible.
 2. The member's cost for in-hospital care within the provider's network shall be no more than 25% of the cost after meeting the deductible.
 3. For services outside the provider's network, the plan shall pay at least 50% of the cost after the member has met the deductible;
- (h) Prescription drugs, which shall include drugs purchased from a retail pharmacy and through the mail-order program.
 1. The member's cost per 30-day supply from a retail pharmacy within the provider's network shall be 25% of the cost, except as follows:
 - a. Generic drugs shall have a minimum copayment that is the lesser of the cost of the prescription or \$10 and a maximum copayment of \$25;
 - b. Preferred brand drugs shall have a minimum copayment that is the lesser of the cost of the prescription or \$20 and a maximum copayment of \$50; and
 - c. Nonpreferred brand drugs shall have a minimum copayment that is the lesser of the cost of the prescription or \$35 and a maximum copayment of \$100.
 2. The member's cost per 90-day supply from the provider's mail-order supplier shall be 25% of the cost, except that the minimum and maximum copayments shall be equal to twice the amount determined under subparagraph 1. of this paragraph;
- (i) Audiometric services, which shall only be covered in conjunction with a disease, illness, or injury.
 1. The member's cost for services within the provider's network shall be no more than 25% of the cost after meeting the deductible.
 2. For services outside the provider's network, the plan shall pay at least 50% of the cost after the member has met the deductible;
- (j) Chiropractic services, which shall include up to 26 office visits per year, with no more than one visit per day.
 1. The member's cost for the office visits within the provider's network shall be no more than 25% of the cost after meeting the deductible.
 2. For office visits outside the provider's network, the plan shall pay at least 50% of the cost after the member has met the deductible;
- (k) Autism services, which shall include rehabilitative care, therapeutic care, and respite care for children ages two through 21, up to a maximum of \$500 per month.
 1. The member's cost for rehabilitative and therapeutic care services within the provider's network shall be no more than 25% of the cost after meeting the deductible.

2. For rehabilitative and therapeutic services outside the provider's network, the plan shall pay at least 50% of the cost after the member has met the deductible.
3. For respite care, within the provider's network, the plan shall pay 75% of the cost after the member has met the deductible.
4. For respite care outside the provider's network, the plan shall pay 50% of the cost after the member has met the deductible;
- (l) Hospice care, which shall be subject to precertification by the plan and shall be covered the same as under the federal Medicare program;
- (m) Other covered services, which shall include durable medical equipment, prosthetic devices, home health limited to 60 visits per year, physical therapy limited to 30 visits per year, occupational therapy limited to 30 visits per year, cardiac rehabilitation therapy limited to 30 visits per year, speech therapy limited to 30 visits per year, and skilled nursing facility services limited to 30 days per year.
 1. The member's cost for services within the provider's network shall be no more than 25% of the cost after meeting the deductible.
 2. For services outside the provider's network, the plan shall pay at least 50% of the cost after the member has met the deductible;
- (n) Hearing aids, which shall be for covered individuals under 18 years of age and limited to one per ear every three years and a maximum benefit of \$1,400 per ear.
 1. The member's cost for services within the provider's network shall be no more than 25% of the cost after meeting the deductible.
 2. For services outside the provider's network, the plan shall pay at least 50% of the cost after the member has met the deductible;
- (o) The deductible applicable to services under this subsection shall be as follows:
 1. For costs incurred within the provider's network, \$750 per year for each covered individual limited to a maximum of \$1,500 per year for all individuals of a family covered under the same contract;
 2. For costs incurred outside the provider's network, \$1,500 per year for each covered individual limited to a maximum of \$3,000 per year for all individuals of a family covered under the same contract; and
 3. The member's costs incurred for services within the provider's network shall be counted toward the out-of-network deductible. The member's costs incurred for services outside the provider's network shall be counted toward the in-network deductible;
- (p) With the exception of prescription drug expenses and emergency room copayments, the plan shall pay 100% of the cost of covered services after a member has paid:
 1. For services within the provider's network, a total of \$3,500 per covered individual limited to a maximum of \$7,000 for all individuals of a family covered under the same contract; and
 2. For services outside the provider's network, a total of \$7,000 per covered individual limited to a maximum of \$14,000 for all individuals of a family covered under the same contract.

The total annual costs for services within the provider's network shall be included to determine whether the member meets the total annual costs requirement for services outside the provider's network. The total annual costs for services outside the provider's network shall be included to determine whether the member meets the total annual cost requirement for services within the provider's network; and
- (q) There shall be no limit to the amount of covered services over a member's lifetime.
- (3) The benefits provided under the Commonwealth Enhanced plan shall be as follows:
 - (a) Outpatient services, which shall include physician or mental health provider office visits; diagnostic and allergy testing; allergy serum and injections; diabetes education and therapy; well child care; immunizations; injections; lab fees; X-rays; and mental health or chemical dependency services.
 1. The member's cost for the services within the provider's network shall be \$10 per visit.
 2. For services outside the provider's network, the plan shall pay at least 60% of the cost after the member has met the deductible.
 3. The member's cost shall include all services performed on the same day at the same site;
 - (b) Care in a hospital, which shall include coverage for provider services; inpatient care; semi-private room; transplant coverage, including kidneys, cornea, bone marrow, heart, liver, lungs, heart and lung, and pancreas; and mental health and chemical dependence services.
 1. The member's cost for the services within the provider's network shall be no more than 20% of the cost after meeting the deductible.
 2. For services outside the provider's network, the plan shall pay at least 60% of the cost after the member has

- met the deductible;
- (c) Outpatient diagnostic testing, which shall include laboratory tests; X-rays and other radiology or imaging services; and ultrasound and approved machine testing services performed for the purpose of diagnosing an illness or injury.
 - 1. The member's cost for the services within the provider's network shall be no more than \$10 per visit.
 - 2. For services outside the provider's network, the plan shall pay at least 60% of the cost after the member has met the deductible.
 - 3. The member's cost shall include all services performed on the same day at the same site. Diagnostic testing performed in a physician's office in conjunction with an office visit shall be included in the member's cost under paragraph (a) of this subsection for the office visit;
 - (d) Ambulatory hospital and outpatient surgery services, which shall include outpatient surgery services, including biopsies, radiation therapy, renal dialysis, chemotherapy, and other outpatient services not listed under diagnostic testing performed in a hospital or other ambulatory center other than a physician's office.
 - 1. The member's cost for the services within the provider's network shall be no more than 20% of the cost after meeting the deductible.
 - 2. For services outside the provider's network, the plan shall pay at least 60% of the cost after the member has met the deductible;
 - (e) Preventative care, which shall include an annual gynecological exam, routine physical, and early detection tests, subject to age and periodicity limits. There shall be a maximum benefit of \$400 in preventative services per covered individual each plan year.
 - 1. The member's cost for the services within the provider's network shall be a \$10 copayment per office visit.
 - 2. For services outside the provider's network, the plan shall pay at least 60% of the cost after the member has met the deductible;
 - (f) Emergency services, which shall include emergency room treatment, and emergency room physician charges resulting from an emergency medical condition as defined in KRS 304.17A-500, and shall also include emergency screening and stabilization services.
 - 1. The member's cost for emergency room services within the provider's network resulting from an emergency medical condition shall be \$50 plus 20% of the cost. If the member is admitted to the hospital, the \$50 copayment shall be waived;
 - 2. For emergency room treatment and emergency room physician charges outside the provider's network resulting from an emergency medical condition, the plan shall pay at least 60% of the cost after the member has paid \$50. If the member is admitted to the hospital, the \$50 copayment shall be waived.
 - (g) Urgent care center treatment, which shall include treatment at a facility for urgent care other than a hospital.
 - 1. The member's cost for urgent care center treatment within the provider's network shall be \$20.
 - 2. For urgent care center treatment outside the provider's network, the plan shall pay at least 60% of the cost after the member has met the deductible;
 - (h) Ambulance services.
 - 1. The member's cost for ambulance services within the provider's network shall be no more than 20% of the cost after meeting the deductible.
 - 2. For ambulance services outside the provider's network, the plan shall pay at least 80% of the cost after the member has met the deductible;
 - (i) Maternity care, which shall include prenatal care; labor; delivery; postpartum care; and one ultrasound per pregnancy. Additional ultrasounds are covered with prior plan approval.
 - 1. The member's cost for office visits within the provider's network shall be \$10, limited to the office visit in which pregnancy is diagnosed. Thereafter, there shall be no copayment required.
 - 2. The member's cost for in-hospital care within the provider's network shall be no more than 20% of the cost after meeting the deductible.
 - 3. For services outside the provider's network, the plan shall pay at least 60% of the cost after the member has met the deductible;
 - (j) Prescription drugs, which shall include drugs purchased from a retail pharmacy and through the mail-order program.
 - 1. The member's cost per 30-day supply from a retail pharmacy within the provider's network shall be the lesser of the actual cost or \$10 per generic prescription, \$15 per preferred brand prescription, and \$30 per nonpreferred brand prescription.
 - 2. The retail pharmacy copayments shall be reduced to \$5 per generic prescription, \$10 per preferred brand prescription, and \$20 per nonpreferred brand prescription after the 75th retail prescription for all

- individuals covered under the same contract.
3. For prescription drugs received from a pharmacy outside the provider's network, the plan shall pay 60% of the cost.
 4. The member's cost per 90-day supply from the provider's mail-order supplier shall be equal to twice the amount determined under subparagraph 1. of this paragraph;
- (k) Audiometric services, which shall only be covered in conjunction with a disease, illness, or injury.
1. The member's cost for services within the provider's network shall be no more than 50% of the cost after meeting the deductible.
 2. For services outside the provider's network, the plan shall pay at least 50% of the cost after the member has met the deductible;
- (l) Chiropractic services, which shall include up to 26 office visits per year, with no more than one visit per day.
1. The member's cost for the office visits within the provider's network shall be \$10 per visit.
 2. For office visits outside the provider's network, the plan shall pay at least 60% of the cost after the member has met the deductible;
- (m) Autism services, which shall include rehabilitative care, therapeutic care, and respite care for children ages two through 21, up to a maximum benefit of \$500 per month.
1. The member's cost for rehabilitative and therapeutic services within the provider's network shall be no more than \$10 per visit.
 2. For rehabilitative and therapeutic services outside the provider's network, the plan shall pay at least 60% of the cost after the member has met the deductible.
 3. For respite care within the provider's network, the plan shall pay at least 75% of the cost after the member has met the deductible.
 4. For respite care outside the provider's network, the plan shall pay at least 50% of the cost after the member has met the deductible;
- (n) Hospice care, which shall be subject to precertification by the plan and shall be covered the same as under the federal Medicare program;
- (o) Hearing aids, which shall be for covered individuals under 18 years of age and limited to one per ear every three years and a maximum benefit of \$1,400 per ear.
1. The member's cost for services within the provider's network shall be no more than 20% of the cost after meeting the deductible.
 2. For services outside the provider's network, the plan shall pay at least 60% of the cost after the member has met the deductible;
- (p) Other covered services, which shall include durable medical equipment, prosthetic devices, home health limited to 60 visits per year, physical therapy limited to 30 visits per year, occupational therapy limited to 30 visits per year, cardiac rehabilitation therapy limited to 30 visits per year, speech therapy limited to 30 visits per year, and skilled nursing facility services limited to 30 days per year.
1. The member's cost for services within the provider's network shall be no more than 20% of the cost after meeting the deductible.
 2. For services outside the provider's network, the plan shall pay at least 60% of the cost after the member has met the deductible;
- (q) The deductible applicable to services under this subsection, other than services received in a physician's office, preventative care services, outpatient diagnostic testing, urgent care center treatment, prescription drugs, chiropractic services, and hospital emergency room services, shall be as follows:
1. For costs incurred within the provider's network, \$250 per year for each covered individual limited to a maximum of \$500 per year for all individuals of a family covered under the same contract;
 2. For costs incurred outside the provider's network, \$500 per year for each covered individual limited to a maximum of \$1,000 per year for all individuals of a family covered under the same contract;
 3. The member's costs incurred for services within the provider's network shall be counted toward the out-of-network deductible. The member's costs incurred for services outside the provider's network shall be counted toward the in-network deductible;
- (r) With the exception of copayments for prescription drugs, office visits, hospital emergency room visits, and urgent care center services, the plan shall pay 100% of covered expenses after the member has paid:
1. For services within the provider's network, a total of \$1,250 per covered individual limited to a maximum of \$2,500 for all individuals in a family covered under the same contract; and

2. For services outside the provider's network, a total of \$2,500 per covered individual limited to a maximum of \$5,000 for all individuals in a family covered under the same contract.

The total annual costs for services within the provider's network shall be included to determine whether the member meets the total annual costs requirement for services outside the provider's network. The total annual costs for services outside the provider's network shall be included to determine whether the member meets the total annual cost requirement for services within the provider's network; and

- (s) There shall be no limit to the amount of covered services over a member's lifetime.
- (4) The benefits provided under the Commonwealth Premier plan shall be as follows:
 - (a) Outpatient services, which shall include physician or mental health provider office visits; diagnostic and allergy testing; allergy serum and injections; diabetes education and therapy; well child care; immunizations; injections; lab fees; X-rays; and mental health or chemical dependency services.
 1. The member's cost for the services within the provider's network shall be \$10 per visit.
 2. For services outside the provider's network, the plan shall pay at least 70% of the cost after the member has met the deductible.
 3. The member's cost shall include all services performed on the same day at the same site;
 - (b) Care in a hospital, which shall include coverage for provider services; inpatient care; semi-private room; transplant coverage, including kidneys, cornea, bone marrow, heart, liver, lungs, heart and lung, and pancreas; and mental health and chemical dependence services.
 1. The member's cost for the services within the provider's network shall be no more than 10% of the cost after meeting the deductible.
 2. For services outside the provider's network, the plan shall pay at least 70% of the cost after the member has met the deductible;
 - (c) Outpatient diagnostic testing, which shall include laboratory tests; X-rays and other radiology or imaging services; and ultrasound and approved machine testing services performed for the purpose of diagnosing an illness or injury.
 1. The member's cost for the services within the provider's network shall be \$10 per visit.
 2. For services outside the provider's network, the plan shall pay at least 70% of the cost after the member has met the deductible.
 3. The member's cost shall include all services performed on the same day at the same site. Diagnostic testing performed in a physician's office in conjunction with an office visit shall be included in the member's cost under paragraph (a) of this subsection for the office visit;
 - (d) Ambulatory hospital and outpatient surgery services, which shall include outpatient surgery services, including biopsies, radiation therapy, renal dialysis, chemotherapy, and other outpatient services not listed under diagnostic testing performed in a hospital or other ambulatory center other than a physician's office.
 1. The member's cost for the services within the provider's network shall be no more than 10% of the cost after meeting the deductible.
 2. For the services outside the provider's network, the plan shall pay at least 70% of the cost after the member has met the deductible;
 - (e) Preventative care, which shall include an annual gynecological exam, routine physical, and early detection tests, subject to age and periodicity limits. There shall be a maximum benefit of \$400 in preventative services per covered individual each plan year.
 1. The member's cost for the services within the provider's network shall be a \$10 copayment per office visit.
 2. For services outside the provider's network, the plan shall pay at least 70% of the cost after the member has met the deductible;
 - (f) Emergency services, which shall include emergency room treatment, and emergency room physician charges resulting from an emergency medical condition as defined in KRS 304.17A-500, and shall also include emergency screening and stabilization services.
 1. The member's cost for emergency room treatment within the provider's network resulting from an emergency medical condition shall be \$50 plus 10% of the cost. If the member is admitted to the hospital, the \$50 copayment shall be waived.
 2. For emergency room treatment and emergency room physician charges outside the provider's network resulting from an emergency medical condition, the plan shall pay at least 70% of the cost after the member has paid \$50 and has met the deductible. If the member is admitted to the hospital, the \$50 copayment shall be waived;
 - (g) Urgent care center treatment, which shall include treatment at a facility for urgent care other than a hospital.
 1. The member's cost for urgent care center treatment within the provider's network shall be \$20.

2. For urgent care center treatment outside the provider's network, the plan shall pay at least 70% of the cost after the member has met the deductible;
- (h) Ambulance services.
1. The member's cost for ambulance services within the provider's network shall be no more than 10% of the cost after meeting the deductible.
 2. For ambulance services outside the provider's network, the plan shall pay at least 70% of the cost after the member has met the deductible;
- (i) Maternity care, which shall include prenatal care; labor; delivery; postpartum care; and one ultrasound per pregnancy. Additional ultrasounds are covered with prior plan approval.
1. The member's cost for office visits within the provider's network shall be \$10 per visit, limited to the office visit in which pregnancy is diagnosed. Thereafter, there shall be no copayment required.
 2. The member's cost for in-hospital care within the provider's network shall be no more than 10% of the cost after meeting the deductible.
 3. For all the services outside the provider's network, the plan shall pay at least 70% of the cost after the member has met the deductible;
- (j) Prescription drugs, which shall include drugs purchased from a retail pharmacy and through the mail-order program.
1. The member's cost per 30-day supply from a retail pharmacy within the provider's network shall be the lesser of the actual cost or \$10 per generic prescription, \$15 per preferred brand prescription, and \$30 per nonpreferred brand prescription.
 2. The retail pharmacy copayments shall be reduced to \$5 per generic prescription, \$10 per preferred brand prescription, and \$20 per nonpreferred brand prescription after the 75th retail prescription for all individuals covered under the same contract.
 3. For prescription drugs received from a pharmacy outside the provider's network, the plan shall pay 70% of the cost.
 4. The member's cost per 90-day supply from the provider's mail-order supplier shall be equal to twice the amount determined under subparagraph 1. of this paragraph;
- (k) Audiometric services, which shall only be covered in conjunction with a disease, illness, or injury.
1. The member's cost for services within the provider's network shall be no more than 10% of the cost after meeting the deductible.
 2. For member services outside the provider's network, the plan shall pay at least 70% of the cost after the member has met the deductible;
- (l) Chiropractic services, which shall include up to 26 office visits per year with no more than one visit per day.
1. The member's cost for the office visits within the provider's network shall be \$10 per visit.
 2. For office visits outside the provider's network, the plan shall pay at least 70% of the cost after the member has met the deductible;
- (m) Autism services, which shall include rehabilitative care, therapeutic care, and respite care for children ages two through 21, up to a maximum benefit of \$500 per month.
1. The member's cost for rehabilitative and therapeutic services within the provider's network shall be \$10 per visit.
 2. For rehabilitative and therapeutic services outside the provider's network, the plan shall pay at least 70% of the cost after the employee has met the deductible.
 3. For respite care within the provider's network, the plan shall pay at least 90% of the cost after the member has met the deductible.
 4. For respite care outside the provider's network, the plan shall pay at least 70% of the cost after the member has met the deductible;
- (n) Hospice care, which shall be subject to precertification by the plan and shall be covered the same as under the federal Medicare program;
- (o) Hearing aids, which shall be for covered individuals under 18 years of age and limited to one per ear every three years and a maximum benefit of \$1,400 per ear.
1. The member's cost for services within the provider's network shall be no more than 10% of the cost after meeting the deductible.
 2. For services outside the provider's network, the plan shall pay at least 70% of the cost after the member has met the deductible;

- (p) Other covered services, which shall include durable medical equipment, prosthetic devices, home health limited to 60 visits per year, physical therapy limited to 30 visits per year, occupational therapy limited to 30 visits per year, cardiac rehabilitation therapy limited to 30 visits per year, speech therapy limited to 30 visits per year, and skilled nursing facility services limited to 30 days per year.
1. The member's cost for services within the provider's network shall be no more than 10% of the cost after meeting the deductible.
 2. For services outside the provider's network, the plan shall pay at least 70% of the cost after the member has met the deductible;
- (q) The deductible applicable to services under this subsection, other than services received in a physician's office, preventative care services, outpatient diagnostic testing, urgent care center treatment, prescription drugs, chiropractic services, and hospital emergency room services, shall be as follows:
1. For costs incurred within the provider's network, \$250 per year for each covered individual limited to a maximum of \$500 per year for all individuals in a family covered under the same contract;
 2. For costs incurred outside the provider's network, \$500 per year for each covered individual limited to a maximum of \$1,000 per year for all individuals in a family covered under the same contract; and
 3. The member's costs incurred for services within the provider's network shall be counted toward the out-of-network deductible. The member's costs incurred for services outside the provider's network shall be counted toward the in-network deductible;
- (r) With the exception of copayments for prescription drugs, office visits, hospital emergency room visits, and urgent care center services, the plan shall pay 100% of covered expenses after the member has paid:
1. For services within the provider's network, a total of \$1,000 per covered individual limited to a maximum of \$2,000 for all individuals in a family covered under the same contract; and
 2. For services outside the provider's network, a total of \$2,000 per covered individual limited to a maximum of \$4,000 for all individuals in a family covered under the same contract.
- The total annual costs for services within the provider's network shall be included to determine whether the member meets the total annual costs requirement for services outside the provider's network. The total annual costs for services outside the provider's network shall be included to determine whether the member meets the total annual cost requirement for services within the provider's network; and
- (s) There shall be no limit to the amount of covered services over an member's lifetime.
- (4) The provider networks for a geographic region shall be substantially similar to the networks available in that geographic region under the policy or policies for the state health insurance plan for the period January 1, 2004, through December 31, 2004.

Section 4. (1) For the period January 1, 2005, through December 31, 2005, the employer contribution shall be the difference between the premium rate and the employee contribution set forth below.

- (a) The monthly employee contribution for nonsmokers shall be as follows:

	Commonwealth	Commonwealth	Commonwealth
Level of Coverage	Essential	Enhanced	Premier
Single	Not offered	\$0.00	\$18.20
Parent Plus	\$55.00	\$114.00	\$170.38
Couple	\$259.53	\$357.72	\$398.67
Family	\$320.14	\$429.24	\$474.74

- (b) The monthly employee contribution for smokers shall be as follows:

	Commonwealth	Commonwealth	Commonwealth
Level of Coverage	Essential	Enhanced	Premier
Single	Not offered	\$15.00	\$33.20
Parent Plus	\$85.00	\$144.00	\$200.38
Couple	\$289.53	\$387.72	\$428.67
Family	\$350.14	\$459.24	\$504.74

(2) In addition to one dependent subsidy contribution toward family coverage under subsection (1) of this section, the Personnel Cabinet shall permit married couples who are both eligible to participate in the state health insurance plan to be covered under one family health benefit plan and to apply each employer contribution for the single premium of the plan they select toward family coverage, not to exceed the total premium.

(3) Except as provided in KRS 18A.225(13), for employees of the state and employees of local school boards who are eligible to participate in the state health insurance program and who waive coverage under the program, the state shall contribute

\$234 per month to the employee's flexible spending account.

(4) A difference in employee contribution rates for smokers and nonsmokers under this plan shall not be deemed to be an unlawful practice in violation of KRS 344.040.

SECTION 5. A NEW SECTION OF KRS CHAPTER 18A IS CREATED TO READ AS FOLLOWS:

- (1) The secretary of the Personnel Cabinet shall submit to the Advisory Committee of State Health Insurance Subscribers established in KRS 18A.225, at least thirty (30) days prior to issuing requests for proposals, the health benefit plans that will be submitted to carriers. The secretary of the Personnel Cabinet shall also provide to employee organizations who are represented on the Advisory Committee of State Health Insurance Subscribers information necessary so that the member representing the organization can fulfill his or her responsibilities under this section. The advisory committee shall submit in writing to the secretary the committee's approval of the plans or its recommendations on changes to the plans no later than seven (7) days prior to the issuance of requests for proposals. The advisory committee shall advise the secretary on:
- (a) Health insurance benefit options that should be included in the program;
 - (b) Procedures for soliciting bids or requesting proposals for contracts from carriers for the program;
 - (c) The implementation, maintenance, and administration of the health insurance benefits under the program; and
 - (d) The development of a uniform prescription drug formulary that contains fair and reasonable standards and procedures for patient access to medically necessary alternatives to the formulary and patient choice of higher-cost alternatives to the formulary, and that ensures that discounts negotiated with drug manufacturers are passed to the program.
- (2) The secretary of the Personnel Cabinet shall, at the discretion of the co-chairs of the Interim Joint Committee on Appropriations and Revenue, either submit a written report to or testify before the Interim Joint Committee on Appropriations and Revenue on the state employee health insurance program for the next plan year prior to the issuance of the requests for proposals.

SECTION 6. A NEW SECTION OF KRS CHAPTER 18A IS CREATED TO READ AS FOLLOWS:

Employees who participate in a medical expense flexible spending account plan pursuant to KRS 18A.227 may carry forward to the succeeding plan year up to five hundred dollars (\$500) of unused funds remaining in the flexible spending account at the end of the plan year to the extent that such carry forward is allowed by the Internal Revenue Code in effect on the date the plan year ends.

Section 7. (1) The Speaker of the House and the President of the Senate are directed to establish the Blue Ribbon Panel on Public Employee Health Benefits, a legislative branch task force, for the purpose of examining all aspects of health benefits available to public employees including the procurement process, benefits offered, plan membership, implementation, maintenance and administration of the plan; alternative methods of providing benefits and services, and any other issues related to public employee health benefits the panel determines to be relevant. The panel shall make recommendations and propose legislation in accordance with the provisions of subsections (3) and (4) of this section.

- (2) The panel shall be composed of thirty-two (32) members as follows:
- (a) Two (2) co-chairpersons, one (1) to be appointed by the Speaker of the House and one (1) to be appointed by the President of the Senate;
 - (b) The chairperson of the Advisory Committee of State Health Insurance Subscribers or the chairperson's appointed designee;
 - (c) Two (2) representatives from the executive branch, to be appointed by the Governor;
 - (d) Two (2) members of the Kentucky House of Representatives, one (1) to be appointed by the Speaker of the House, and one (1) to be appointed by the leader of the minority party;
 - (e) Two (2) members of the Kentucky Senate, one (1) to be appointed by the President of the Senate, and one (1) to be appointed by the leader of the minority party;
 - (f) One (1) representative from the Judicial Branch, to be appointed by the Chief Justice of the Supreme Court;
 - (g) Two (2) members from a list of five (5) representing active certified education employees and two (2) members from a list of five (5) representing retired certified education employees with the list to be submitted by the organization with the largest number of teacher members on payroll deduction, one (1) each to be appointed by the Speaker of the House and the President of the Senate;
 - (h) Two (2) members from a list of five (5) representing active classified education employees and two (2) members from a list of five (5) representing retired classified education employees with the list to be submitted by the organization with the largest number of classified members on payroll deduction, one (1) each to be appointed by the Speaker of the House and the President of the Senate;
 - (i) Two (2) members from a list of five (5) names submitted by the labor federation with the largest number of state employees, one (1) each to be appointed by the Speaker of the House and the President of the Senate;
 - (j) Two (2) members from a list of five (5) names submitted by the Kentucky Association of Counties, one (1) each to

- be appointed by the Speaker of the House and the President of the Senate;
- (k) Two (2) members from a list of five (5) names submitted the Kentucky League of Cities, one (1) each to be appointed by the Speaker of the House and the President of the Senate;
 - (l) Two (2) members representing retired state employees, one (1) each to be appointed by the Speaker of the House and the President of the Senate;
 - (m) Two (2) members representing the insurance industry, one (1) each to be appointed by the Speaker of the House and the President of the Senate;
 - (n) Two (2) members representing health care providers, one (1) each to be appointed by the Speaker of the House and President of the Senate.
 - (o) One (1) representative of the Kentucky Retirement Systems, to be appointed by the chairperson of the Board of Trustees of the Kentucky Retirement Systems; and
 - (p) One (1) representative of the Kentucky Teachers' Retirement System, to be appointed by the chairperson of the Board of Trustees of the Kentucky Teachers' Retirement System.

Organizations or entities required to submit a list of names to the Speaker of the House and President of the Senate shall do so within thirty (30) days of the effective date of this Act. All appointments shall be made within forty-five (45) days of the effective date of this Act. The names of appointees shall be communicated to the Director of the Legislative Research Commission.

(3) The panel shall initially meet no later than January 15, 2005, and shall submit a written report and proposed legislation in accordance with subsection (4) of this section to the Legislative Research Commission, the Governor and the Chief Justice of the Supreme Court no later than April 30, 2005. The report and proposed legislation shall be presented to the Interim Joint Committees on Appropriations & Revenue and State Government during the 2005 interim. The panel shall cease to exist upon the delivery and presentation of its report and proposed legislation.

(4) The panel shall review health benefits available to public employees and shall make recommendations and propose legislation as necessary to address the following areas:

- (a) The process for receiving input and providing oversight can be improved, including an examination of the composition, function, and duties of the Advisory Committee on State Health Insurance Subscribers established under KRS 18A.225(10) and the Group Health Insurance Board established under KRS 18A.226;
- (b) The procurement process;
- (c) Plan benefits, costs and premiums including dependent coverage, relative to surrounding states and the nation at large;
- (d) Alternative benefits, programs and methods for providing coverage to public employees;
- (e) Trends in health insurance and the consideration of various implications for the future; and
- (f) Any other issues the panel identifies.

(5) The panel may employ consultants if approved by the Legislative Research Commission, request and hear testimony, and take other necessary steps to ensure a thorough study of the issue. The panel shall be staffed by the Legislative Research Commission.

(6) Except as provided in KRS 18A.200, members of the panel shall receive actual travel expenses while attending meetings.

(7) Provisions of this section to the contrary notwithstanding, the Legislative Research Commission shall have the authority to alternatively assign the issues identified herein to an interim joint committee or a subcommittee thereof, and to designate a study completion date.

Section 8. Each retired teacher eligible for the increase under KRS 161.620(2) shall receive:

- (1) An additional cost-of-living increase of eight-tenths of one percent (.8%) that shall apply retroactively to July 1, 2004; and
- (2) Effective July 1, 2005, an additional cost-of-living increase of seven-tenths of one percent (.7%).

Section 9. Notwithstanding KRS 61.565, the employer contribution rate for an entity participating in the Kentucky Employees Retirement System or State Police Retirement System shall be as follows:

(1) From July 1, 2004, through June 30, 2005, the contribution rates shall be no more than 5.89 percent for nonhazardous duty employees, 18.84 percent for hazardous duty employees, and 21.58 percent for employees of the State Police Retirement System. This provision shall be retroactive to July 1, 2004; and

(2) From July 1, 2005, through June 30, 2006, the employer contribution rate shall be no more than 5.89 percent for nonhazardous duty employees, 18.84 percent for hazardous duty employees, and 21.58 percent for employees of the State Police Retirement System.

Section 10. Notwithstanding KRS 18A.355(1):

- (1) A cost-of-living adjustment of two percent is provided in fiscal year 2004-2005 on the base salary or wages of each eligible state employee on his or her anniversary date and shall apply retroactively to July 1, 2004; and

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(2) Effective January 1, 2005, an additional cost-of-living adjustment of one percent is provided on the base salary or wages of each eligible state employee.

Section 11. Notwithstanding KRS 157.420(2), all certified and classified staff employed by local boards of education shall receive:

(1) A cost-of-living adjustment of not less than two percent in fiscal year 2004-2005 and shall apply retroactively to July 1, 2004; and

(2) Effective January 1, 2005, an additional cost-of-living adjustment of one percent is provided. The cost-of-living adjustments shall be in addition to the normal rank and experience increases attained by certified staff and in addition to any salary increase a classified employee might obtain due to additional experience or job classification.

Section 12. PERSONNEL CABINET. (1) There is hereby appropriated from the General Fund in fiscal year 2004-2005 \$720,623,700 to the State Salary and Compensation Fund in the Personnel Cabinet. Included in this appropriation is \$708,014,100 for the base salary and related fringe benefits, and \$8,197,600 for a two percent cost-of-living adjustment on the employee's annual increment date for eligible state employees. Included in the above is \$4,412,000 for a one percent cost-of-living adjustment to be granted to all eligible state employees effective January 1, 2005.

(2) There is hereby appropriated from the General Fund in fiscal year 2004-2005 \$74,860,400 to the State Group Health Insurance Fund in the Personnel Cabinet.

Included in this appropriation is \$59,489,400 to cover the base employer share of the cost of health insurance and flexible spending for eligible Executive Branch employees. Included in this appropriation is \$15,371,000 to provide for additional health insurance benefits and flexible spending contributions as provided for in this Act. Included in this appropriation is \$2,591,500 for the Personnel Cabinet to provide assistance to eligible quasi-governmental employers and the Kentucky Community and Technical College System for their employees participating in the state health insurance program for the employer cost of increased benefits to the plan resulting from this Act. The funds will be distributed to eligible employers based on each employer's proportion of the total eligible participants in the state health insurance program.

(3) The Secretary of the Personnel Cabinet, in consultation with the State Budget Director, shall determine, in a manner consistent with the provisions of this Act, the amount of funds necessary by budget unit to provide for the salary and related expenses and health insurance benefits. The State Salary and Compensation Fund and the State Group Health Insurance Fund shall be supplemented to the maximum extent possible by Restricted Funds, Federal Funds, the Road Fund and other General Funds.

(4) The Secretary of the Personnel Cabinet, upon approval by the State Budget Director, shall notify the Secretary of the Finance and Administration Cabinet of the respective amount of General Fund from the State Salary Compensation Fund and the State Group Health Insurance Fund to be transferred to each affected budget unit, and such funds shall be transferred. The Secretary of the Personnel Cabinet and the State Budget Director shall report to the Interim Joint Committee on Appropriations and Revenue regarding the implementation of this provision on a timely basis.

Section 13. DEPARTMENT OF EDUCATION. (1) There is hereby appropriated from the General Fund to the Department of Education \$2,428,801,400 in fiscal year 2004-2005 for the Support Education Excellence in Kentucky program. Included in this appropriation is \$2,387,759,500 for the baseline Support Education Excellence in Kentucky and related programs in fiscal year 2004-2005. Included in the total appropriation is \$36,600,000 for the cost-of-living increase for certified and classified employees of local boards of education as provided in this Act. Also included in the total appropriation is \$4,441,900 to support the Kentucky Teachers' Retirement System contributions for associated salary increases for active members. Notwithstanding any statute to the contrary, the Commissioner of Education, in consultation with the State Budget Director, shall determine the amounts to be allocated to local school districts and to various programs funded within the Support Education Excellence in Kentucky appropriation unit.

(2) There is also appropriated from the General Fund to the Department of Education \$363,670,600 in fiscal year 2004-2005 for employer contributions for health insurance and the contribution to the flexible spending account for employees waiving coverage. Included in this appropriation is \$304,102,600 for baseline employer contributions for health insurance and the contribution to the flexible spending account for employees waiving coverage. Included in the total appropriation is \$59,568,000 to provide for the additional health insurance benefits and flexible spending contributions as provided in this Act. If the costs for health insurance for employees of local school districts exceed the level of appropriated funds, the Governor is authorized to expend available General Fund moneys to fulfill this provision.

Section 14. KENTUCKY TEACHERS' RETIREMENT SYSTEM. To carry out the provisions of this Act, there is appropriated from the General Fund to the Kentucky Teachers' Retirement System \$3,996,200 for fiscal year 2004-2005 and \$7,706,900 for fiscal year 2005-2006 to provide the cost-of-living increase. In addition, there is appropriated from the General Fund \$2,228,000 for fiscal year 2004-2005 for an additional subsidy for retired teachers who choose couple, family, or parent-plus coverage.

Section 15. KENTUCKY RETIREMENT SYSTEMS. To carry out the provisions of this Act, there is appropriated from the General Fund to the Kentucky Retirement Systems \$4,562,500 for fiscal year 2004-2005 to provide a subsidy for retired members who choose couple, family, or parent-plus coverage.

Section 16. JUDICIAL BRANCH. There is hereby appropriated from the General Fund to the Judicial Branch \$1,760,900 in fiscal year 2004-2005 and \$3,521,800 in fiscal year 2005-2006 for health insurance. This is in addition to the amounts appropriated in House Bill 396 of the 2004 Regular Session of the General Assembly. There is also appropriated from the General Fund to the Judicial Branch \$239,200 in fiscal year 2004-2005 and \$239,200 in fiscal year 2005-2006 to provide an additional cost-of-living adjustment effective January 1, 2005.

Section 17. LEGISLATIVE BRANCH. There is hereby appropriated from the General Fund to the Legislative Branch \$323,000 in fiscal year 2004-2005 and \$646,000 in fiscal year 2005-2006 for health insurance. This is in addition to the amounts appropriated in House Bill 397 of the 2004 Regular Session of the General Assembly.

Section 18. The Personnel Cabinet shall not enter into any new contracts required under KRS 78.530 for coverage of employees in the state health plan from the effective date of this Act through December 31, 2005.

Section 19. The provisions of this Act shall be effective, KRS 6.350 to the contrary notwithstanding.

Section 20. In order to implement the changes to the state group health insurance plan effective January 1, 2005, an emergency is declared to exist, and this Act takes effect upon its passage and approval by the Governor or upon its otherwise becoming a law.

Representative Moberly moved that the House concur in the Senate Committee Substitute to **HB 1**. Agreed.

The Senate Committee Amendment No. 1, to the Senate Committee Substitute, to **HB 1** is as follows:

HB 1, On page 13, line 2, by deleting "75%" and inserting "50%" in lieu thereof.

Representative Moberly moved that the House concur in Senate Committee Amendment No. 1, to the Senate Committee Substitute, to **HB 1**. Agreed.

The Senate Committee Amendment No. 2, to the Senate Committee Substitute, to **HB 1** is as follows:

HB 1, On page 2, line 21, by deleting the word "provider's" and inserting the word "provider" in lieu thereof;
On page 2, line 23, by deleting the word "provider's" and inserting the word "provider" in lieu thereof;
On page 3, line 4, by deleting the word "provider's" and inserting the word "provider" in lieu thereof;
On page 3, line 6, by deleting the word "provider's" and inserting the word "provider" in lieu thereof;
On page 3, line 11, by deleting the word "provider's" and inserting the word "provider" in lieu thereof;
On page 3, line 13, by deleting the word "provider's" and inserting the word "provider" in lieu thereof;
On page 3, line 24, by deleting the word "provider's" and inserting the word "provider" in lieu thereof;
On page 3, line 26, by deleting the word "provider's" and inserting the word "provider" in lieu thereof;
On page 4, line 12, by deleting the word "provider's" and inserting the word "provider" in lieu thereof;
On page 4, line 17, by deleting the word "provider's" and inserting the word "provider" in lieu thereof;
On page 4, line 22, by deleting the word "provider's" and inserting the word "provider" in lieu thereof;
On page 4, line 24, by deleting the word "provider's" and inserting the word "provider" in lieu thereof;
On page 5, line 3, by deleting the word "provider's" and inserting the word "provider" in lieu thereof;
On page 5, line 5, by deleting the word "provider's" and inserting the word "provider" in lieu thereof;
On page 5, line 7, by deleting the word "provider's" and inserting the word "provider" in lieu thereof;
On page 5, line 12, by deleting the word "provider's" and inserting the word "provider" in lieu thereof;
On page 6, line 1, by deleting the word "provider's" and inserting the word "provider" in lieu thereof;
On page 6, line 3, by deleting the word "provider's" and inserting the word "provider" in lieu thereof;
On page 6, line 7, by deleting the word "provider's" and inserting the word "provider" in lieu thereof;
On page 6, line 9, by deleting the word "provider's" and inserting the word "provider" in lieu thereof;
On page 6, line 15, by deleting the word "provider's" and inserting the word "provider" in lieu thereof;
On page 6, line 17, by deleting the word "provider's" and inserting the word "provider" in lieu thereof;
On page 6, line 20, by deleting the word "provider's" and inserting the word "provider" in lieu thereof;
On page 6, line 22, by deleting the word "provider's" and inserting the word "provider" in lieu thereof;
On page 7, line 5, by deleting the word "provider's" and inserting the word "provider" in lieu thereof;

[illegible]

[illegible]

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Representative Moberly moved that the House concur in Senate Committee Amendment No. 2, to the Senate Committee Substitute, to **HB 1**. Agreed.

The Senate Committee Amendment No. 3, to the Senate Committee Substitute, to **HB 1** is as follows:

HB 1, On page 28, line 27, by deleting "\$74,860,400" and inserting in lieu thereof "\$77,451,900".

Representative Moberly moved that the House concur in Senate Committee Amendment No. 3, to the Senate Committee Substitute, to **HB 1**. Agreed.

The Senate Committee Amendment No. 4, to the Senate Committee Substitute, to **HB 1** is as follows:

HB 1, On page 31, after line 22, by adding the following new section:

"Section 21. Notwithstanding KRS 6.190 or 6.211, no member of the General Assembly shall be paid under KRS 6.190 or 6.211 for any day when the General Assembly is in recess for more than two legislative days, during the 2004 first extraordinary legislative session."

Representative Moberly moved that the House concur in Senate Committee Amendment No. 4, to the Senate Committee Substitute, to **HB 1**. Agreed.

The Senate Committee Amendment No. 5, to the Senate Committee Substitute, to **HB 1** is as follows:

HB 1, On page 23, line 24 by deleting "up to five"; and

On page 23, line 25 by deleting "hundred dollars (\$500) of".

Representative Moberly moved that the House concur in Senate Committee Amendment No. 5, to the Senate Committee Substitute, to **HB 1**. Agreed.

The Senate Committee Amendment No. 6 Title, to **HB 1** is as follows:

HB 1, By amending the title to read: "AN ACT relating to compensation, including benefits, for public employees and officers, making an appropriation therefor, and declaring an emergency."

Representative Moberly moved that the House concur in Senate Committee Amendment No. 6 Title to **HB 1**. Agreed.

Representative Moberly moved that **HB 1**, by way of Senate Committee Substitute, as amended, be passed.

On the roll call the vote was: **Yeas 95, Nays 0** (See October 19, 2004, roll call on **HB 1** - Appendix.)

HB 1, by way of Senate Committee Substitute, as amended, was passed and title agreed to.

Representative Moberly moved that the vote by which **HB 1**, by way of Senate Committee Substitute, as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Representative Adkins moved that the Rules be suspended to introduce and act on a Resolution. Agreed.

Introduction of Bills and Resolutions

HCR 44, by Representative Adkins: A CONCURRENT RESOLUTION adjourning the 2004 Extraordinary Session of the General Assembly sine die.

Motions, Petitions, and Communications (Continued)

Representative Adkins moved the adoption of the following **HCR 44**:

HCR 44, A CONCURRENT RESOLUTION adjourning the 2004 Extraordinary Session of the General Assembly sine die.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. When the House of Representatives and the Senate adjourn, Tuesday, October 19, 2004, they will do so sine die.

There being no objection, **HCR 44** was adopted.

Report On Enrolled Bills

The Committee on Enrollment reported that **HB 1** has been examined and found correctly enrolled. Said Bill was read at length, compared and signed in open session by the Speaker, and ordered delivered to the Senate. (Time - 6:16 p.m.)

Motions, Petitions, and Communications (Continued)

Representative Nesler moved the adoption of the following **Legislative Citation No. 10**.

The House of Representatives of the Commonwealth of Kentucky does hereby adjourn this legislative day in loving memory and honor of Mayme Beasley Nesler and joins with Representative Fred Nesler in expressing deepest sympathy to the Nesler and Beasley Families and all who share in the profound loss on the passing of this esteemed citizen. The daughter of the late Ellis C. and Hallie Parish Beasley, she was preceded in death by a daughter, Bobbi Nell Nesler. She is survived by her beloved husband, Elroy Nesler; cherished sons, Robert C. Nesler, Roy E. Nesler, Larry D. Nesler and Keith B. Nesler; nephew, State Representative Fred Nesler; eleven grandchildren; seven great-grandchildren; and, a host of other family members, friends and loved ones. This beloved citizen, a former administrative secretary to the Detroit Board of Education; a highly-regarded library assistant; and, a faithful member of Melber Baptist Church and the Order of the Eastern Star in Michigan, is remembered on this day for the many and generous contributions she made to her family and community. Mayme Beasley Nesler will be deeply missed by all those whose lives were touched by her remarkable presence. Done in Frankfort, Kentucky, this nineteenth day of October, in the year two thousand and four.

Legislative Citation No. 10 was adopted without objection.

Introduction of Bills and Resolutions (Continued)

HR 34, by Representative Riner: A RESOLUTION adjourning the House of Representatives in Honor of Archbishop Benjamin Nzimbi and the Anglican Church in Kenya.

Motions, Petitions, and Communications (Continued)

Representative Riner moved the adoption of the following **HR 34**:

HR 34, A RESOLUTION adjourning the House of Representatives in Honor of Archbishop Benjamin Nzimbi and the Anglican Church in Kenya.

WHEREAS, married with five children, Bishop Nzimbi was first ordained in 1985 as Bishop of Machakos, before moving to Kitue; and

WHEREAS, Archbishop Benjamin Nzimbi's Godly leadership is best demonstrated by his statement, "My leadership will follow the authority of the Scriptures"; and

WHEREAS, after his election multitudes of believers and churches in Western countries rejoiced to hear Bishop Nzimbi say, "Any new ideas should be theologically sound. We want the Church to be the Church"; and

WHEREAS, the Anglican Church has become a brilliant light to the Church in Western countries, empowering them to see their need to align themselves with God's Word and to distance themselves from all customs and world views incompatible with the Old and New Testaments; and

WHEREAS, having made the decision to expel all non-Biblical customs inherited from Western missionaries, African churches are now experiencing a great spiritual awakening whose power and vitality may soon reach the four corners of the earth; and

WHEREAS, African churches, especially the Anglican brethren, have endured great financial hardships rather than allow

their churches to be corrupted by Western world views that do not glorify God; and

WHEREAS, by showcasing courageous leadership, the Anglican churches in Africa have inspired believers in other nations to correct and instruct weak leaders within their churches who have sometimes tolerated corrupt doctrine and practices within the church; and

WHEREAS, many churches throughout the United States have been greatly encouraged by the joyful and uplifting worship experienced in Africa's Protestant and Roman Catholic churches, including:

1. The clapping of hands (Job 27:23, Isaiah 55:12, 2 Kings 11:12, Psalms 47:1)
2. Shouting for joy (Psalms 5:11, 32:11, 35:27)
3. Joyful praise (Psalms 18:49, 21:13, 30:4, 149:3)
4. Singing, dancing, use of musical instruments (1 Sam. 18:6, 1 Sam. 30:16, 2 Sam. 6:16, 1 Chron. 15:29, Psalms 30:11, Luke 15:25); and

WHEREAS, the likelihood of the Church in America experiencing a spiritual awakening will be greatly increased when the Anglican Church of Africa encourages its members to fast and pray for such a move of God; and

WHEREAS, many Christians in the State of Kentucky have been given hope that God has heard their prayers for repentance and revival within the American Church because He has sent African ministers to preach in Kentucky churches and on several occasions to open the Kentucky House of Representatives with prayer and Christian songs;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. When the House of Representatives adjourns this day, it does so in honor of Archbishop Benjamin Nzimbi and the Anglican Churches of Kenya.

Section 2. The House of Representatives does hereby honor Archbishop Nzimbi for his efforts to restore public confidence in the Kenyan Government by calling for true reform and seeking the dismissal of all corrupt senior government officials.

Section 3. The House of Representatives expresses its appreciation for the leadership of Archbishop Benjamin Nzimbi's efforts to adopt a Godly Constitution for Kenya that acknowledges God as the author of all civil and political liberties.

Section 4. The House of Representatives congratulates Archbishop Nzimbi for his virtuous stands in defense of human life and the integrity of marriage.

Section 5. The Clerk of the House of Representatives is directed to transmit a copy of this Resolution to Archbishop Benjamin M. Nzimbi, The Anglican Church of Kenya, P. O. Box 40502, Nairobi, Kenya.

There being no objection, **HR 34** was adopted.

The roll call was opened for co-sponsors and on the roll call on **HR 34** the vote was: **Yeas 73**. (See October 19, 2004, roll call to show co-sponsors on **HR 34-Appendix**.)

Representative Riner moved that the rules be suspended to introduce and act on a resolution. Agreed.

Introduction of Bills and Resolutions (Continued)

HR 36, by Representative Riner: A RESOLUTION recognizing the Godly leadership and example of Dr. David Githii and the Churches of Africa.

Motions, Petitions, and Communications (Continued)

Representative Riner moved the adoption of the following **HR 36**:

HR 36, A RESOLUTION recognizing the Godly leadership and example of Dr. David Githii and the Churches of Africa.

You are to be commended for setting a world-class example of what the Church of Jesus Christ can become when its leaders earnestly pray for the Holy Spirit to change them and their churches to conform to the teachings of Holy Scripture and the example of the Early Church.

WHEREAS, as Moderator of the Presbyterian Church of East Africa, Dr. David Githii has used his powerful leadership position with the Churches of Africa to inspire pastors to pray and to respond to God's Word presented in Psalm 51:10-12:

"Create in me a clean heart, O God; and renew a right spirit within me. Cast me not away from Thy presence; and take not Thy Holy Spirit from me. Restore unto me the joy of Thy salvation; and uphold me with Thy Free Spirit"; and

WHEREAS, after earning a Ph.D. from Fuller Theological Seminary, Dr. David Githii returned to Africa to teach theological students to follow the examples of courageous believers throughout Church history who were martyred rather than compromise their testimony for the Lord Jesus Christ; and

WHEREAS, by God's grace and reliance upon Holy Scripture alone, Dr. Githii and multitudes of pastors throughout the Continent of Africa are being liberated from the bondages of Anglo styles and traditions which have quenched the operation of the Holy Spirit in their Churches; and

WHEREAS, in his celebrated speech to the Kenyan President and Parliament, Dr. Githii prophetically declared the sovereignty of God and the Kingship of Christ over the governments of all nations:

"Your Excellency, it is vital to point out that the Presbyterian Church of East Africa will not fail to point out any shortcomings of the Government. In doing so, the Church will be acting as a business partner in national building. This Church would wish that the Government accept and learn from criticisms from the churches and not to interpret criticisms negatively and look at those criticizing as their enemies. Our ears have heard a lot on 'leave politics to politicians and concentrate on the Bible.' The PCEA Church believes that the Bible and politics are intertwined. For those who say that Church and politics do not mix, we would like them to tell us which Bible they read"; and

WHEREAS, Pastor Githii concluded his speech to the Kenyan President and Parliament by requesting the Government's cooperation in:

1. Providing government financial support for church hospitals;
2. Ensuring that church-sponsored schools are allowed by the Government to be headed by headmasters of the sponsoring churches; and
3. Speeding up the process whereby religious organizations are granted letters authorizing church-sponsored universities; and

WHEREAS, Church leaders throughout Kenya point to the prayer chains and the many days of fasting by Christians as the root cause that brought about the Kenyan Government's deliverance from spiritual oppression and darkness; and

WHEREAS, the Church of Africa's example in fearing God rather than man has inspired Christians in other nations to correct and instruct weak leaders within their churches who have accepted corruption within the Church rather than risk offending others by standing for the timeless truth of God's Word; and

WHEREAS, the Church of Africa has become a brilliant light to the Church in Western countries, empowering them to see their need to draw closer to Jesus and to distance themselves from world views incompatible with the Old and New Testaments; and

WHEREAS, many Christians in the state of Kentucky have been given hope that God has heard their prayers for repentance and spiritual awakening within the American Church as God has sent a Presbyterian Church of East Africa pastor to teach and to preach in Kentucky churches and to open the Kentucky House of Representatives with prayer and Christian songs; and

WHEREAS, many churches throughout the United States have been greatly encouraged by the joyful and uplifting worship experienced in Africa's Protestant and Roman Catholic churches, including:

1. The clapping of hands (Job 27:23, Isaiah 55:12, 2 Kings 11:12, Psalms 47:1);
2. Shouting for joy (Psalms 5:11, 32:11, 35:27);
3. Joyful praise (Psalms 18:49, 21:13, 30:4, 149:3); and
4. Singing, dancing, use of musical instruments (1 Sam. 18:6, 1 Sam. 30:16, 2 Sam. 6:16, 1 Chron. 15:29, Psalms 30:11, Luke 15:25); and

WHEREAS, The Church reformed is always being reformed; and

WHEREAS, the likelihood of the Church in America experiencing a true spiritual awakening will be greatly increased when the Presbyterian Church of East Africa encourages its members to fast and pray for such a move of God;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The House of Representatives does hereby honor Dr. David Githii and the PCEA Churches in Kenya, Uganda, and Tanzania for world-class leadership in modeling righteousness, peace, and joy in doctrine, worship, and practice.

Section 2. The House of Representatives does hereby laud and congratulate Dr. David Githii, the Presbyterian Church of East Africa, and all the churches of Africa for leadership in securing democracy and Godly Constitutions that recognize God as the author of all civil and political liberties.

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Section 3. The Clerk of the House of Representatives is hereby directed to transmit a copy of this Resolution to Dr. David Githii, Moderator of the Presbyterian Church of East Africa, House Muhoho Avenue South C, Post Office Box 48268, Nairobi, Kenya prior to our national Day of Thanksgiving, the 25th day of November, in the year of our Lord, Two Thousand and Four.

There being no objection, **HR 36** was adopted.

The roll call was opened for co-sponsors and on the roll call on **HR 36** the vote was: **Yeas 78**. (See October 19, 2004, roll call to show co-sponsors on **HR 36-Appendix**.)

Representative Riner moved that the rules be suspended to introduce and act on a resolution. Agreed.

Introduction of Bills and Resolutions (Continued)

HR 35, by Representative Riner: A RESOLUTION commending those who fast and pray for righteous leadership in the Commonwealth of Kentucky and the nations.

Motions, Petitions, and Communications (Continued)

Representative Riner moved the adoption of the following **HR 35**:

HR 35, A RESOLUTION commending those who fast and pray for righteous leadership in the Commonwealth of Kentucky and the nations.

WHEREAS, it has become the practice of many in Kentucky to fast at least once a week for spiritual awakening and the three institutions created by God: the Family, the Government, and the Church; and

WHEREAS, beyond sustained prayer and fasting throughout the year, many intercessors also fast every election day during the twelve-hour period the polls are open for voting; and

WHEREAS, the Kentucky House of Representatives welcomes hearing from individuals and churches who have, through their calls and "Kentucky Prayer Guard" cards, registered their intent to pray and fast for their leaders; and

WHEREAS, on March 24, 2003, 92 of the 100 members of the Kentucky House of Representatives indicated by their roll call vote a desire to receive a "prayer map" indicating the number of intercessors in their districts undertaking this commitment to pray and fast; and

WHEREAS, in the preamble to all 50 state constitutions, the framers recognized Almighty God to be the source of the people's liberties and blessings; and

WHEREAS, in I Timothy 2:2 of the Holy Bible, the Apostle Paul specifically exhorts believers to pray "For Kings, and all that are in authority; that we may lead a quiet and peaceable life in all godliness and honesty. For this is good and acceptable in the sight of God our Savior"; and

WHEREAS, the Biblical account recorded in Genesis 18 demonstrates that just as God heard the cry of Abraham for his city and promised deliverance for the sake of ten righteous believers, God is just as faithful to hear the prayers of His people today; and

WHEREAS, as recorded in Exodus 32, Moses prayed for Israel after the people had disobeyed God by building a golden calf to worship, and in so doing set a standard for encouraging today's leaders to actively petition the Lord on behalf of their people; and

WHEREAS, II Samuel 24:17 demonstrates how King David sinned by numbering and depending too much on Israel's troops and too little on God's power, which should be a warning for all leaders not to miscalculate the importance of relying on God; and

WHEREAS, according to II Kings 19:19, Hezekiah, king of Judah, sought to openly acknowledge God when he prayed for deliverance from the Assyrians, "that all the kingdoms of the earth may know that thou art the Lord God, even thou alone"; and

WHEREAS, in Jeremiah 42, the military leaders of Judah recognized the decisive role of the prayers of the upright when they petitioned the prophet Jeremiah to intercede on their behalf that they not be destroyed by their adversaries; and

WHEREAS, when, in I Samuel 7:8, the people of Israel asked the prophet-priest Samuel to pray for deliverance from the hand of their enemies, the Philistines, the effectualness of a Godly intercessor was again demonstrated for all time; and

WHEREAS, Abraham Lincoln dedicated March 30, 1863, as a National Fast Day with the following proclamation:

"Whereas, the Senate of the United States, devoutly recognizing the Supreme Authority and just Government of Almighty God, in all the affairs of men and of nations, has, by a resolution, requested the President to designate and set apart a day for National prayer and humiliation.

And whereas it is the duty of nations as well as of men, to own their dependence upon the overruling power of God, to confess their sins and transgressions, in humble sorrow, yet with assured hope that genuine repentance will lead to mercy and

pardon; and to recognize the sublime truth, announced in the Holy Scriptures and proven by all history, that those nations only are blessed whose God is the Lord.

And, insomuch as we know that, by His divine law, nations like individuals are subjected to punishments and chastisements in this world, may we not justly fear that the awful calamity of civil war, which now desolates the land, may be but a punishment, inflicted upon us, for our presumptuous sins, to the needful end of our national reformation as a whole People? We have been the recipients of the choicest bounties of Heaven. We have been preserved, these many years, in peace and prosperity. We have grown in numbers, wealth and power, as no other nation has ever grown. But we have forgotten God. We have forgotten the gracious hand which preserved us in peace, and multiplied and enriched and strengthened us; and we have vainly imagined, in the deceitfulness of our hearts, that all these blessings were produced by some superior wisdom and virtue of our own. Intoxicated with unbroken success, we have become too self-sufficient to feel the necessity of redeeming and preserving grace, too proud to pray to the God that made us!

It behooves us then, to humble ourselves before the offended Power, to confess our national sins, and to pray for clemency and forgiveness.

Now, therefore, in compliance with the request, and fully concurring in the views of the Senate, I do, by this my proclamation, designate and set apart Thursday, the 30th. day of April, 1863, as a Day of National Humiliation, Fasting and Prayer. And I do hereby request all the People to abstain, on that day, from their ordinary secular pursuits, and to unite, at their several places of public worship and their respective homes, in keeping the day holy to the Lord, and devoted to the humble discharge of the religious duties proper to that solemn occasion.

All this being done, in sincerity and truth, let us then rest humbly in the hope authorized by the Divine teachings, that the united cry of the Nation will be heard on high, and answered with blessings, no less than the pardon of our national sins, and the restoration of our now divided and suffering Country, to its former happy condition of unity and peace"; and

WHEREAS, God will be glorified and the American Family, Government, and Church edified and revitalized when faithful believers from other nations include the people of the United States in sustained prayer and fasting;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. Believers and churches that fast and pray for the leaders of the nations, including the leaders of the three institutions ordained by God--the Family, the Church, and the Government--are to be highly commended for making that a priority which is most important for the safety and welfare of the nations and future generations.

Section 2. Because of the great need for wise and righteous leaders to steer the nations through the troubled waters of the Twenty-First Century, this honorable body expresses special gratitude for those believers who pray and fast each election day during the hours the polls are open for voting to the end that God might be glorified and the nations blessed through the lives of just and wise leaders.

There being no objection, **HR 35** was adopted.

The roll call was opened for co-sponsors and on the roll call on **HR 35** the vote was: **Yeas 79**. (See October 19, 2004, roll call to show co-sponsors on **HR 35-Appendix**.)

Representative Palumbo moved that the rules be suspended to introduce and act on a resolution. Agreed.

Introduction of Bills and Resolutions (Continued)

HR 39, by Representative Palumbo: A RESOLUTION adjourning the House of Representatives in loving memory and honor of Philip J. Angelucci Jr.

Motions, Petitions, and Communications (Continued)

Representative Palumbo moved the adoption of the following **HR 39**:

HR 39, A RESOLUTION adjourning the House of Representatives in loving memory and honor of Philip J. Angelucci Jr.

With deepest respect and admiration, we pay homage and tribute to Philip J. Angelucci Jr., and we pause in silent reverence for his soul.

WHEREAS, Philip J. Angelucci Jr. was the devoted husband of Mary Ann Devereux Angelucci; he was the loving father of three daughters, Kathleen A. List, Laurie Buchignani, and Kimberly Angelucci, and four sons, Philip J. Angelucci III, Kenny Angelucci, Steve Angelucci, and Michael Angelucci; he was the proud grandfather of nine grandchildren; and he also leaves behind a loving brother, Armand Angelucci; and

WHEREAS, Philip J. Angelucci Jr. served his country with honor and distinction in the United States Marine Corps

during World War II, where he held the rank of captain; and

WHEREAS, Philip J. Angelucci Jr. was an outstanding member of the Fayette County community, where he was a member of the Cathedral of Christ the King; he graduated from the University of Kentucky in 1941, where he received a degree in commerce; he was a partner and manager of Angelucci's Men's Wear from 1946 until 1974; he served as chief deputy sheriff under Sheriff Ed Hahn, and he was elected Fayette County Sheriff in 1977; and

WHEREAS, the passing of Philip J. Angelucci Jr. has left a void that cannot be filled, and he is mourned across the length and breadth of the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The House of Representatives does hereby express its profound sense of sorrow upon the passing of Philip J. Angelucci Jr., and extends to his family and friends its most heartfelt sympathy.

Section 2. When the House of Representatives adjourns this day, it does so in loving memory and honor of Philip J. Angelucci Jr.

Section 3. The Clerk of the House of Representatives is hereby directed to transmit a copy of this Resolution to Mrs. Mary Ann Devereux Angelucci, 1086 Turkeyfoot Road, Lexington, Kentucky 40502.

There being no objection, **HR 39** was adopted.

Representative Palumbo moved that the rules be suspended to introduce and act on a resolution. Agreed.

Introduction of Bills and Resolutions (Continued)

HR 40, by Representative Palumbo: A RESOLUTION memorializing Joann Thomas Burke.

Motions, Petitions, and Communications (Continued)

Representative Palumbo moved the adoption of the following **HR 40**:

HR 40, A RESOLUTION memorializing Joann Thomas Burke.

WHEREAS, Joann Thomas Burke was a native daughter of the Commonwealth of Kentucky being born in Lexington; and

WHEREAS, Joann Thomas Burke passed from this world on April 24, 2004; and

WHEREAS, Joann Thomas Burke, along with her husband, exemplified the American spirit of hard work and entrepreneurial zest by running a farm for ten years and then buying the Maple Rest Motel, which had the distinction of being the first motel in Fayette County; and

WHEREAS, Joann Thomas Burke, along with her husband of 52 years, William Thomas Burke, founded Burke Furniture, Incorporated, a commercial fixture in Lexington for over four decades, in which the employees tended to be regarded as family, and which started off with a showroom made from a garage, expanding in those four decades to occupy 70,000 square feet; and

WHEREAS, Joann Thomas Burke and her husband contributed to the well-being of the region through the running of their successful ventures; and

WHEREAS, Joann Thomas Burke was the adoring mother of four sons and two daughters: William T. Burke, Jr., Louis J. Burke, David A. Burke, Richard C. Burke, Carol Burke Gott, and Mary H. Burke; and

WHEREAS, Joann Thomas Burke was the proud and adoring grandmother to her children's children; and

WHEREAS, Joann Thomas Burke was a valued member of the Cathedral of Christ The King;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The House of Representatives does hereby extend to the family and friends of Joann Thomas Burke its sincerest sympathy and profound sense of sorrow on the event of her passing.

Section 2. The House of Representatives lauds Joann Thomas Burke for her lifelong labors and sacrifices that resulted in the provision of a comfortable life for not only her family, but also for the benefit of her friends and coworkers, who were fortunate to make her acquaintance.

Section 3. The Clerk of the House of Representatives is directed to transmit a copy of this Resolution to Mr. William Thomas Burke, Burke Furniture, Incorporated, 2950 Richmond Road, Lexington, Kentucky 40509.

There being no objection, **HR 40** was adopted.

Representative Palumbo moved that the rules be suspended to introduce and act on a resolution. Agreed.

Introduction of Bills and Resolutions (Continued)

HR 41, by Representative Palumbo: A RESOLUTION adjourning the House of Representatives in loving memory and honor of Ashley L. Cason.

Motions, Petitions, and Communications (Continued)

Representative Palumbo moved the adoption of the following **HR 41**:

HR 41, A RESOLUTION adjourning the House of Representatives in loving memory and honor of Ashley L. Cason.

With deepest respect and sorrow, we pay tribute to Ashley L. Cason.

WHEREAS, Ashley L. Cason was born in 1982, a native of Lexington, Kentucky, and she tragically traversed these earthly bounds on September 14, 2004; and

WHEREAS, Ashley L. Cason was the loving daughter of Pamela Relford Williams and Franklin L. Cason; and

WHEREAS, Ashley L. Cason is survived by seven brothers and sisters; and

WHEREAS, Ashley L. Cason, at the time of her death, was a Customer Service Representative for Dairy Mart; and she is remembered as "...one of the kindest people you'd ever meet" by her family and friends; and

WHEREAS, Ashley L. Cason was tragically killed in an armed robbery, in broad daylight, in Lexington, Kentucky; and

WHEREAS, Ashley L. Cason's life was a life cut short by violence, making Ashley L. Cason's tragedy a most difficult thing for friends and family to comprehend; and

WHEREAS, words can never fill this void nor provide all the answers that family and friends can seek; still the people of the Commonwealth can provide limited comfort in their acknowledgment of this horrible travesty; and

WHEREAS, the passing of Ashley L. Cason has left a void that cannot be filled, and she is mourned across the length and breadth of the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The House of Representatives does hereby express its profound sense of sorrow upon the passing of Ashley L. Cason and extends to her family and many friends its most heartfelt sympathy.

Section 2. When the House of Representatives adjourns this day, it does so in loving memory and honor of Ashley L. Cason.

Section 3. The Clerk of the House of Representatives is hereby directed to send a copy of this Resolution to State Representative Ruth Ann Palumbo, Room 457 Capitol Annex, Frankfort, Kentucky 40601.

There being no objection, **HR 41** was adopted.

Representative Palumbo moved that the rules be suspended to introduce and act on a resolution. Agreed.

Introduction of Bills and Resolutions (Continued)

HR 42, by Representative Palumbo: A RESOLUTION adjourning the House of Representatives in loving memory and honor of Ryan Christopher Harris.

Motions, Petitions, and Communications (Continued)

Representative Palumbo moved the adoption of the following **HR 42**:

HR 42, A RESOLUTION adjourning the House of Representatives in loving memory and honor of Ryan Christopher Harris.

It is with heavy hearts and deep sadness that we remember the premature passing of Ryan Christopher Harris, and we pause in silent reverence for his soul.

WHEREAS, Ryan Christopher Harris was born on December 23, 1983, a native of Somerset and a resident of Lexington, Fayette County, Kentucky, and he prematurely traversed these earthly bounds on January 5, 2002; and

WHEREAS, Ryan Christopher Harris was the loving son of Tricia Harris DellaValle and Larry E. Harris; and he was the

loving brother of a sister, Lauren Harris; and

WHEREAS, Ryan Christopher Harris attended Lexington Christian Academy and the Winchendon Academy near Boston, Massachusetts, where he was active in the cross country and ski teams; and

WHEREAS, in the aftermath of the tragedy that took Ryan Christopher Harris's life on January 5, 2002, we are reminded of the grief and suffering afflicted upon his family and friends, how precious he was to his loved ones, and how his loved ones have been denied the opportunity of witnessing him reach his full potential; and we are also reminded that a life spent worthily should be measured by deeds, not years, and through his compassion and genuine love and concern for his fellow man, Ryan Christopher Harris is worthy of the highest commendation; and

WHEREAS, for a mother whose grief is beyond explanation, Tricia Harris DellaValle has turned her grief into charity, and she is channeling it into helping the Bluegrass Boys' Ranch, and into setting up two "persistence" awards in Ryan Christopher Harris's name at Somerset High School and at Winchendon Academy; and

WHEREAS, the premature passing of Ryan Christopher Harris has left a void that cannot be filled, and he is mourned across the length and breadth of the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The House of Representatives does hereby express its profound sense of sorrow upon the premature passing of Ryan Christopher Harris, and extends to his loving family and friends its most heartfelt sympathy.

Section 2. When the House of Representatives adjourns this day, it does so in loving memory and honor of Ryan Christopher Harris.

Section 3. The Clerk of the House of Representatives is hereby directed to transmit a copy of this Resolution to Mrs. Tricia Harris DellaValle, 4030 Tate Creek Road, Lexington, Kentucky 40517 and to Mr. Larry E. Harris, c/o Mrs. Tricia Harris DellaValle, 4030 Tate Creek Road, Lexington, Kentucky 40517.

There being no objection, **HR 42** was adopted.

Representative Palumbo moved that the rules be suspended to introduce and act on a resolution. Agreed.

Introduction of Bills and Resolutions (Continued)

HR 43, by Representative Palumbo: A RESOLUTION memorializing Matthew Sean Haymaker.

Motions, Petitions, and Communications (Continued)

Representative Palumbo moved the adoption of the following **HR 43**:

HR 43, A RESOLUTION memorializing Matthew Sean Haymaker.

WHEREAS, Matthew Sean Haymaker was a long-time resident of the Commonwealth of Kentucky, residing in Lexington during the time of his untimely passing on July 31, 2004; and

WHEREAS, Matthew Sean Haymaker graduated from Tate Creek High School and Eastern Kentucky University; and

WHEREAS, Matthew Sean Haymaker was employed by Haymaker Development Company, where he worked tirelessly for his family; and

WHEREAS, all who knew Matthew Sean Haymaker would agree that he was a zealous supporter of the Kentucky Wildcats and the Marshall University Thundering Herd; and

WHEREAS, Matthew Sean Haymaker was the loving husband of Stephanie Vaughn Haymaker, and the proud father of Sean Michael Haymaker; and

WHEREAS, Matthew Sean Haymaker was the beloved son of Tim and Sandy Haymaker, and the brother of Andy Haymaker; and

WHEREAS, Matthew Sean Haymaker was the adored grandson of Clarice Hill and Harry Haymaker; and

WHEREAS, Matthew Sean Haymaker was the respected son-in-law of Eddie and Gina Vaughn and Sharon and Rich Rountree; and

WHEREAS, Matthew Sean Haymaker will be remembered for his love of children, and for his love of spending time with his family and friends, especially the fun-filled times spent on Deer Lake and Laurel Lake with his wife and son and friends; and

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. The House of Representatives does hereby express to the family and friends of Matthew Sean Haymaker, on the event of his passing, its most profound sense of sorrow as well as its sincerest condolences and affirms that his loss will be a void that can never be filled in the lives of his family and friends.

Section 2. The Clerk of the House of Representatives is directed to transmit a copy of this Resolution to Stephanie Vaughn Haymaker, in care of Tim and Sandy Haymaker, 3757 Wembley Lane, Lexington, Kentucky 40515; a separate copy to Tim and Sandy Haymaker at the same stated address; and a separate copy to Andy Haymaker, in care of Tim and Sandy Haymaker at the same stated address.

There being no objection, **HR 43** was adopted.

Representative Hoover moved the adoption of the following **Legislative Citation No. 7**.

The House of Representatives of the Commonwealth of Kentucky hereby recognizes and honors State Representative James R. and T. J. Comer upon the momentous occasion of the birth of their cherished daughter, Reagan Faith Comer, whose miraculous delivery on October 7, 2004, weighing seven pounds and nine ounces and measuring twenty and one-quarter inches long, was met with endless love, joy and gratitude. Inasmuch as Rep. and Mrs. Comer have demonstrated an unwavering dedication to creating a loving and nurturing environment for this newest member of their family, this honorable body doth hereby join with Representative Jeffrey Hoover in extending its greatest wishes to this inspiring family whose blessings are abundant. Done in Frankfort, Kentucky this fifteenth day of October, in the year two thousand and four.

Legislative Citation No. 7 was adopted without objection.

Representative Ballard moved that the rules be suspended to introduce and act on a resolution. Agreed.

Introduction of Bills and Resolutions (Continued)

HR 45, by Representative Ballard: A RESOLUTION recognizing the Associated Industries of Kentucky as a long-standing, important organization that represents manufacturing, business, and industry in Kentucky.

Motions, Petitions, and Communications (Continued)

Representative Ballard moved the adoption of the following **HR 45**:

HR 45, A RESOLUTION recognizing the Associated Industries of Kentucky as a long-standing, important organization that represents manufacturing, business, and industry in Kentucky.

WHEREAS, Associated Industries of Kentucky is a statewide association dedicated to ensuring a healthy business climate in which industry can compete on a local, national, and global basis; and

WHEREAS, Associated Industries of Kentucky's mission is to enhance the competitiveness of manufacturers by shaping an environment conducive to economic growth and to increase understanding among policy makers, the media, and the general public about the importance of manufacturing to America's economic strength; and

WHEREAS, the member companies of Associated Industries of Kentucky and the citizens of the Commonwealth of Kentucky have benefited from the efforts of Associated Industries of Kentucky since its inception in 1911; and

WHEREAS, Associated Industries of Kentucky directors, member companies, and staff are committed to responsible business practices, professionalism, and high ethical standards worthy of recognition;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. Associated Industries of Kentucky is recognized for its positive accomplishments as a long-standing and important organization that represents manufacturing, business, and industry in Kentucky.

Section 2. The Clerk of the House of Representatives is directed to transmit a copy of this Resolution to Andrew C. Meko, President, Associated Industries of Kentucky, 2303 Greene Way, Louisville, KY 40220.

There being no objection, **HR 45** was adopted.

Representative Adkins moved that when the House adjourns that it does so sine die until Tuesday, January 4, 2005, or until called into extraordinary session by the Governor. Agreed.

Representative Adkins moved that the reading of the Journal of Tuesday, October 19, 2004, be dispensed with and the same approved. Agreed.

JOURNAL OF THE HOUSE OF REPRESENTATIVES
2004 First Extraordinary Session

Representative Adkins moved that the reading of the Journal of the 2004, Extraordinary Session, be dispensed with and the same approved. Agreed.

Report On Enrolled Bills

HB 1 delivered to the Senate and signed by the President. Delivered to the Governor on October 19, 2004, at 6:40 p.m.

Motions, Petitions, and Communications (Continued)

The following members filed requests to have their names added as co-sponsors of a Bill and Resolutions:

HB 1, Representatives Yonts, Stacy, R. Adams, Buckingham, Burch, Cherry, Hoffman, Horlander, Riggs, Simpson, P. Clark, Geveden, Pasley, and T. Thompson

HR 15, Representative Comer

HR 17, Representative Brinkman

Announcements

The following meetings were announced:

Program Review and Investigations Committee - Upon recess, Room 149, Annex

Committee on State Government - 3:00 p.m., Room 129

Committee on Health and Welfare - Upon recess, Room 149

Majority Caucus - 4:45 p.m., Supreme Court

Adjournment

Representative Adkins moved that the House adjourn sine die until Tuesday, January 4, 2005, or until called into Extraordinary Session by the Governor. Agreed.

The motion that the House adjourn sine die until Tuesday, January 4, 2005, was adopted by voice vote.

APPENDIX A

2004 FIRST EXTRAORDINARY SESSION

LIST OF HOUSE MEMBERSHIP

OFFICERS

**SPEAKER
SPEAKER PRO TEM
CHIEF CLERK
ASSISTANT CLERK
ENROLLING CLERK
SERGEANT AT ARMS
CHIEF DOORKEEPER
CLOAKROOM KEEPER
CLOAKROOM KEEPER
JANITOR**

**REPRESENTATIVE JODY RICHARDS
REPRESENTATIVE LARRY CLARK
LOIS PULLIAM
SANDI MORRIS
MARGARET WATTS
GEORGE FRITZ
J. O. WHITAKER
FRANK SMITH
BARRY HOLDER
BOB GOODWIN**

1st District	Charles R. Geveden P.O. Box 518 Wickliffe, KY 42087	12th District	Jim Gooch, Jr. 125 C-East Main Street Providence, KY 42450
2nd District	Fred Nesler 400 State Route 440 Mayfield, KY 42066	13th District	VACANT
3rd District	Frank Rasche 2929 Jefferson St. Paducah, KY 42001	14th District	Tommy Thompson P. O. Box 458 Owensboro, KY 42302
4th District	Michael Cherry 803 South Jefferson Street Princeton, KY 42445	15th District	Brent Yonts 232 Norman Circle Greenville, KY 42345
5th District	Robert "Buddy" Buckingham 1717 Magnolia Drive Murray, KY 42071	16th District	Sheldon E. Baugh 252 West Valley Dr. Russellville, KY 42276
6th District	J. R. Gray 3188 Mayfield Hwy. Benton, KY 42025	17th District	C.B. Embry, Jr. P. O. Box 1215 Morgantown, KY 42261
7th District	John A. Arnold, Jr. 1301 North Lee, P. O. Box 124 Sturgis, KY 42459	18th District	Dwight D. Butler P. O. Box 9 Harned, KY 40144
8th District	John W. Adams 6255 Huffman Mill Rd. Hopkinsville, KY 42240	19th District	Dottie J. Sims 459 Violet Ave. Horse Cave, KY 42749
9th District	James Edmond Bruce 6750 Ft. Campbell Blvd. Hopkinsville, KY 42240	20th District	Jody Richards 817 Culpeper St. Bowling Green, KY 42103
10th District	Eddie Ballard P.O. Box 1736 Madisonville, KY 42431	21st District	Roger Thomas 4415 Smiths Grove-Scottsville Rd Smiths Grove, KY 42171
11th District	Gross Clay Lindsay P.O. Box 19 Henderson, KY 42419-0019	22nd District	Rob Wilkey 1924 Carl Hurt Rd. Scottsville, KY 42164

APPENDIX A - MEMBERSHIP OF THE HOUSE OF REPRESENTATIVES
2004 Regular Session

23rd District	Stephen R. Nunn 136 Fairway Place Glasgow, KY 42141	38th District	Denver Butler 6712 Morocco Dr. Louisville, KY 40214
24th District	Jimmy Higdon 507 W. Main Street Lebanon, KY 40033	39th District	Robert R. Damron 231 Fairway West Nicholasville, KY 40356
25th District	Jimmie Lee 901 Dogwood Drive Elizabethtown, KY 42701	40th District	Dennis L. Horlander 1806 Farnsley Rd., Ste. 6 Shively, KY 40216
26th District	John Michael Weaver 131 Mayer Lane Elizabethtown, KY 42701	41st District	Tom Riner 1143 E. Broadway Louisville, KY 40204
27th District	James "Jim" Thompson 50 Crosier Bottom Road Battletown, KY 40104	42nd District	Reginald Meeks P. O. Box 757 Louisville, KY 40201
28th District	Charles Miller 3608 Gateview Circle Louisville, KY 40272	43rd District	Paul Bather 4706 Varble Avenue Louisville, KY 40211
29th District	Kevin D. Bratcher 10215 Landwood Drive Louisville, KY 40291	44th District	Joni L. Jenkins 2010 O'Brien Court Shively, KY 40216
30th District	Tom Burch 4012 Lambert Ave. Louisville, KY 40218	45th District	Stan Lee P. O. Box 2090 Lexington, KY 40588
31st District	Steven Riggs 8108 Thornwood Road Louisville, KY 40220	46th District	Larry Clark 5913 Whispering Hills Blvd. Louisville, KY 40219
32nd District	Scott Brinkman 6001 Two Springs Lane Louisville, KY 40207	47th District	Rick Rand 1418 Hwy 42 E. Bedford, KY 40006
33rd District	Ron Crimm P. O. Box 43244 Louisville, KY 40245	48th District	Bob M. DeWeese 6206 Glen Hill Rd. Louisville, KY 40222
34th District	Mary Lou Marzian 2007 Tyler Lane Louisville, KY 40205	49th District	Mary C. Harper 550 N. Preston Hwy. Shepherdsville, KY 40165
35th District	Jim Wayne 1280 Royal Avenue Louisville, KY 40204	50th District	Jodie Haydon 106 Hillcrest Bardstow, KY 40004
36th District	Lonnie Napier 302 Danville Street Lancaster, KY 40444	51st District	Russ Mobley 900 Holly Street Campbellsville, KY 42718
37th District	Perry B. Clark 5716 New Cut Road Louisville, KY 40214	52nd District	Ken Upchurch P. O. Box 991 Monticello, KY 42633-0991

53rd District	James R. Comer, Jr. 407 Fourth Street Boulevard Tompkinsville, KY 42167	68th District	Joseph M. Fischer 126 Dixie Place Ft. Thomas, KY 41075
54th District	Mike Harmon P. O. Box 458 Junction City, KY 40440	69th District	Jon David Reinhardt 323 Poplar Thicket Road Alexandria, KY 41001
55th District	Jack L. Coleman, Jr. P.O. Box 600 Burgin, KY 40310	70th District	Mitchel B. 'Mike' Denham 306 Old Hill City Road Maysville, KY 41056
56th District	Joe Barrows 152 Stout Avenue Versailles, KY 40383	71st District	John Will Stacy P. O. Box 135 West Liberty, KY 41472
57th District	Derrick W. Graham Room 451E, Capitol Annex Frankfort, KY 40601	72nd District	Carolyn Belcher 51 Blevins Valley Rd. Owingsville, KY 40360
58th District	Brad Montell P. O. Box 1016 Shelbyville, KY 40065	73rd District	Don Pasley 5805 Ecton Road Winchester, KY 40391
59th District	Tim Feeley P. O. Box 64 Crestwood, KY 40014	74th District	Adrian K. Arnold 3589 Aarons Run Road Mt. Sterling, KY 40353
60th District	Paul H. Marcotte 10674 Palestine Dr. Union, KY 41091	75th District	Kathy W. Stein 364 Transylvania Park Lexington, KY 40508
61st District	Royce W. Adams 580 Bannister Rd. Dry Ridge, KY 41035	76th District	Ruth Ann Palumbo 10 Deepwood Dr. Lexington, KY 40505
62nd District	Charles Hoffman 406 Bourbon Street Georgetown, KY 40324	77th District	Jesse Crenshaw 121 Constitution St. Lexington, KY 40507
63rd District	Jon Draud 55 Swathmore Drive Edgewood, KY 41017	78th District	Thomas M. McKee 1053 Cook Road Cynthiana, KY 41031
64th District	Thomas Robert Kerr 5415 Old Taylor Mill Rd. Taylor Mill, KY 41015	79th District	Susan Westrom PO Box 22778 Lexington, KY 40502
65th District	Arnold R. Simpson 112 West 11th Street Covington, KY 41011	80th District	Danny Ford P. O. Box 1245 Mt. Vernon, KY 40456
66th District	Charlie Walton 1663 Brierwood Ct. Florence, KY 41042	81st District	Harry Moberly, Jr. P. O. Box 721 Richmond, KY 40475
67th District	Jim Callahan 10 Colonel Pointe Dr. Wilder, KY 41076	82nd District	Charles L. Siler 3570 Tackett Creek Rd. Williamsburg, KY 40769

APPENDIX A - MEMBERSHIP OF THE HOUSE OF REPRESENTATIVES
2004 Regular Session

83rd District	Jeffrey H. Hoover P. O. Box 985 Jamestown, KY 42629	92nd District	Ancel Smith 1812 Wiley Fork Rd. LeBurn, KY 41831
84th District	Brandon Smith 350 Kentucky Boulevard Hazard, KY 41701	93rd District	Keith Hall PO Box 466 Phelps, KY 41553
85th District	Tommy Turner 175 Clifty Grove Church Rd. Somerset, KY 42501	94th District	Howard Cornett 20 Elpaso Dr. Whitesburg, KY 41858
86th District	Jim Stewart 141 KY 223 Flat Lick, KY 40935	95th District	Charles E. "Chuck" Meade P. O. Box 283 McDowell, KY 41617
87th District	Rick Nelson Route 3 Box 686 Middlesboro, KY 40965	96th District	Robin L. Webb 404 West Main St. Grayson, KY 41143
88th District	Bill Farmer 3361 Squire Oak Dr. Lexington, KY 40515	97th District	Hubert Collins 72 Collins Lane Whittensville, KY 41274
89th District	Marie L. Rader P. O. Box 323 McKee, KY 40447	98th District	Tanya Pullin Rural Route 1, Box 486 South Shore, KY 41175
90th District	Tim Couch P. O. Box 710 Hyden, KY 41749	99th District	Rocky Adkins P.O. Box 688 Sandy Hook, KY 41171
91st District	Ted "Teddy" Edmonds 1257 Beattyville Rd. Jackson, KY 41339	100th District	John F. Vincent P.O. Box 2528 Ashland, KY 41105

APPENDIX B

2004 FIRST EXTRAORDINARY SESSION

HISTORY OF ACTION TABLES

APPENDIX B -- HISTORY OF HOUSE BILLS IN THE HOUSE
2004 First Extraordinary Session

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Numbers refer to page of House Journal. The text of a bill is given on first reading.
*Voting modifications are listed after the roll call vote - Appendix D.

Bill No.	Into-duced	Re-ferred	Re-ported	Readings			Sub or Amend	Voting*	Senate Message	Concur Activities	Enrolled (Del. to Gov.)	Other Action
HB 1	13	13	15, 29	15	17	54	29, 37, 39, 41, 56, 57, 77, 89, 92	54, 92	69	77, 89, 92	93(102)	13, 17, 54, 59, 64, 66, 68, 74, 102
HB 2	5	7										22
HB 3	19	25										59
HB 4	22	22										
HB 5	22	22	41	41	61		50					59
HB 6	22	22	41	51	61		56					59

APPENDIX B -- HISTORY OF HOUSE RESOLUTIONS IN THE HOUSE
2004 First Extraordinary Session

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Numbers refer to page of House Journal. The text of a bill is given on first reading.

*Voting modifications are listed after the roll call vote - Appendix C.

Bill No.	Intro-duced	Re-ferred	Re-ported	Readings			Sub or Amend	Voting*	Senate Message	Concur Activities	Enrolled (Del. to Gov.)	Other Action
HR 1	2							2				
HR 2	2							2				
HR 3	7							7				
HR 4	9	13										
HR 5	9							9				
HR 6	9							10				
HR 7	13							14				
HR 8	13							14				
HR 9	13	17										
HR 10	13	17										
HR 11	19	22										
HR 12	19	22										
HR 13	19							19				74
HR 14	19							21				
HR 15	22	22						25				102
HR 16	22	22						28				
HR 17	25	61						70				59, 102
HR 18	27							27				
HR 19	26							26				
HR 20	55							55				
HR 21	55	61						71				
HR 22	55	61						72				
HR 23	61							63				
HR 24	61							62				
HR 25	61							62				
HR 26	64	65						66				
HR 27	65							67				
HR 28	65							66				
HR 29	69											
HR 30	69							72				
HR 31	69											
HR 32	69							69				
HR 33	69							73				
HR 34	93							93				
HR 35	96							96				
HR 36	94							94				
HR 37	*Not Introduced											
HR 38	73							73				
HR 39	97							97				
HR 40	98							98				
HR 41	99							99				
HR 42	99							99				
HR 43	100							100				
HCR 44	92							93				
HR 45	101							101				

**THERE WERE NO SENATE BILLS OR SENATE RESOLUTIONS INTRODUCED INTO THE HOUSE CHAMBER DURING THIS EXTRAORDINARY SESSION.

APPENDIX C

2004 FIRST EXTRAORDINARY SESSION

ROLL CALL VOTES

HB 1 Pass (Oct 14) Yeas 95—J. Adams, R. Adams, Adkins, A. Arnold, J. Arnold, Ballard, Barrows, Bather, Baugh, Belcher, Bratcher, Brinkman, Bruce, Buckingham, Burch, D Butler, D.D Butler, Callahan, Cherry, L. Clark, P. Clark, Coleman, Collins, Comer, Cornett, Couch, Crenshaw, Crimm, Damron, Denham, Deweese, Draud, Edmonds, Embry, Feeley, Fischer, Ford, Geveden, Gooch, Graham, Gray, Hall, Harmon, Harper, Haydon, Higdon, Hoffman, Hoover, Horlander, Jenkins, Kerr, J. Lee, S. Lee, Lindsay, Marcotte, Marzian, Mckee, Meade, Meeks, Miller, Moberly, Montell, Napier, Nelson, Nesler, Nunn, Palumbo, Pasley, Pullin, Rader, Rand, Rasche, Reinhardt, Richards, Riggs, Riner, Siler, Simpson, Sims, A Smith, B Smith, Stacy, Stewart, Thomas, J Thompson, T Thompson, Turner, Upchurch, Vincent, Wayne, Weaver, Webb, Westrom, Wilkey, Yonts. **Nays 0.**

Modifications: Stein, Yea - p 66; Farmer, Yea - p 74.

HB 1 Final Passage (Oct 19) Yeas 95—J. Adams, R. Adams, Adkins, A. Arnold, J. Arnold, Ballard, Barrows, Bather, Baugh, Belcher, Bratcher, Brinkman, Bruce, Buckingham, Burch, D Butler, D.D Butler, Callahan, Cherry, L. Clark, P. Clark, Collins, Comer, Cornett, Couch, Crenshaw, Crimm, Damron, Denham, Deweese, Draud, Edmonds, Embry, Farmer, Feeley, Fischer, Ford, Geveden, Gooch, Graham, Gray, Harmon, Harper, Haydon, Higdon, Hoffman, Hoover, Horlander, Jenkins, Kerr, J. Lee, S. Lee, Lindsay, Marcotte, Marzian, Mckee, Meade, Meeks, Miller, Moberly, Montell, Napier, Nelson, Nesler, Nunn, Palumbo, Pasley, Pullin, Rader, Rand, Rasche, Reinhardt, Richards, Riggs, Riner, Siler, Simpson, Sims, A Smith, B Smith, Stacy, Stein, Stewart, Thomas, J Thompson, T Thompson, Turner, Upchurch, Walton, Wayne, Weaver, Webb, Westrom, Wilkey, Yonts. **Nays 0.**

HR 3 Co-Sponsor (Oct 7) Yeas 89—J. Adams, R. Adams, Adkins, A. Arnold, J. Arnold, Ballard, Barrows, Baugh, Belcher, Bratcher, Brinkman, Bruce, Buckingham, Burch, D Butler, D.D Butler, Callahan, Cherry, L. Clark, P. Clark, Coleman, Collins, Cornett, Couch, Crimm, Damron, Denham, Deweese, Draud, Edmonds, Embry, Farmer, Fischer, Ford, Geveden, Gooch, Graham, Hall, Harmon, Harper, Haydon, Higdon, Hoffman, Hoover, Horlander, Jenkins, Kerr, J. Lee, S. Lee, Marcotte, Marzian, Mckee, Meade, Meeks, Miller, Moberly, Montell, Napier, Nelson, Nesler, Nunn, Palumbo, Pasley, Pullin, Rader, Rand, Rasche, Reinhardt, Richards, Riner, Siler, Simpson, Sims, A Smith, B Smith, Stacy, Stein, Stewart, Thomas, J Thompson, T Thompson, Turner, Upchurch, Vincent, Wayne, Weaver, Webb, Westrom, Yonts. **Nays 0.**

HR 5 Co-Sponsor (Oct 8) Yeas 79—J. Adams, R. Adams, Adkins, A. Arnold, J. Arnold, Ballard, Barrows, Baugh, Belcher, Bratcher, Brinkman, Bruce, Burch, D Butler, D.D Butler, Callahan, Cherry, L. Clark, P. Clark, Coleman, Collins, Cornett, Couch, Crimm, Deweese, Edmonds, Embry, Farmer, Feeley, Fischer, Ford, Gooch, Graham, Gray, Harmon, Harper, Haydon, Higdon, Hoffman, Hoover, Horlander, Jenkins, J. Lee, S. Lee, Lindsay, Marcotte, Marzian, Mckee, Meade, Miller, Moberly, Montell, Napier, Nesler, Nunn, Palumbo, Pasley, Pullin, Rand, Rasche, Richards, Riner, Siler, Simpson, Sims, A Smith, B Smith, Stacy, Stewart, Thomas, J Thompson, T Thompson, Turner, Upchurch, Vincent, Weaver, Webb, Wilkey, Yonts. **Nays 0.**

HR 6 Co-Sponsor (Oct 8) Yeas 85—J. Adams, R. Adams, Adkins, A. Arnold, J. Arnold, Ballard, Barrows, Baugh, Belcher, Bratcher, Brinkman, Bruce, Burch, D Butler, Callahan, Cherry, L. Clark, P. Clark, Coleman, Collins, Cornett, Couch, Crimm, Damron, Denham, Deweese, Draud, Edmonds, Embry, Farmer, Feeley, Fischer, Ford, Gooch, Graham, Gray, Harmon, Harper, Haydon, Higdon, Hoffman, Hoover, Horlander, Jenkins, Kerr, J. Lee, S. Lee, Lindsay, Marcotte, Marzian, Mckee, Meade, Miller, Moberly, Montell, Napier, Nesler, Nunn, Palumbo, Pasley, Pullin, Rader, Rand, Rasche, Richards, Riggs, Siler, Simpson, Sims, A Smith, B Smith, Stacy, Stein, Stewart, Thomas, J Thompson, T Thompson, Turner, Upchurch, Vincent, Weaver, Webb, Westrom, Wilkey. **Nays 0.**

HR 15 Co-Sponsor (Oct 14) Yeas 90—R. Adams, Adkins, A. Arnold, J. Arnold, Ballard, Barrows, Baugh, Belcher, Bratcher, Brinkman, Bruce, Buckingham, Burch, D Butler, D.D Butler, Callahan, Cherry, L. Clark, P. Clark, Coleman, Collins, Cornett, Couch, Crenshaw, Crimm, Damron, Denham, Draud, Edmonds, Embry, Feeley, Fischer, Ford, Geveden, Gooch, Graham, Gray, Hall, Harmon, Harper, Haydon, Higdon, Hoffman, Hoover, Horlander, Jenkins, Kerr, J. Lee, S. Lee, Lindsay, Marcotte, Marzian, Mckee, Meade, Meeks, Miller, Moberly, Montell, Napier, Nelson, Nesler, Nunn, Palumbo, Pasley, Pullin, Rader, Rand, Rasche, Richards, Riggs, Riner, Siler, Simpson, Sims, A Smith, B Smith, Stacy, Stein, Stewart, Thomas, J Thompson, T Thompson, Turner, Vincent, Wayne, Weaver, Webb, Westrom, Wilkey, Yonts. **Nays 0.**

HR 16 Co-Sponsor (Oct 14) Yeas 90—J. Adams, R. Adams, Adkins, A. Arnold, J. Arnold, Ballard, Barrows, Bather, Baugh, Belcher, Bratcher, Brinkman, Bruce, Buckingham, Burch, D Butler, D.D Butler, Callahan, Cherry, L. Clark, P. Clark, Coleman, Collins, Cornett, Couch, Crenshaw, Crimm, Damron, Denham, Deweese, Draud, Edmonds, Embry, Feeley, Fischer, Ford, Geveden, Gooch, Graham, Gray, Hall, Harmon, Harper, Haydon, Higdon, Hoffman, Horlander, Jenkins, Kerr, J. Lee, Lindsay, Marcotte, Marzian, Mckee, Meade, Meeks, Miller, Moberly, Montell, Napier, Nelson, Nesler, Nunn, Palumbo, Pasley, Pullin, Rader, Rand, Rasche, Reinhardt, Richards, Riner, Siler, Simpson, A Smith, B Smith, Stacy, Stein, Stewart, Thomas, J Thompson, T Thompson, Turner, Vincent, Wayne, Weaver, Webb, Westrom, Wilkey, Yonts. **Nays 0.**

HR 18 Co-Sponsor (Oct 14) Yeas 85—J. Adams, R. Adams, Adkins, A. Arnold, J. Arnold, Ballard, Barrows, Bather, Baugh, Belcher, Bratcher, Brinkman, Bruce, Buckingham, Burch, D Butler, D.D Butler, Callahan, Cherry, L. Clark, P. Clark, Coleman, Collins, Cornett, Couch, Crenshaw, Crimm, Damron, Denham, Deweese, Draud, Embry, Feeley, Fischer, Ford, Geveden, Gooch, Graham, Gray, Hall, Harmon, Harper, Haydon, Higdon, Hoffman, Hoover, Horlander, Jenkins, Kerr, J. Lee, Lindsay, Marcotte, Mckee, Meeks, Miller, Moberly, Montell, Nelson, Nesler, Nunn, Palumbo, Pasley, Pullin, Rader, Rand, Rasche, Richards, Riggs, Riner, Siler, Simpson, Sims, B Smith, Stacy, Stein, Stewart, Thomas, J Thompson, T Thompson, Turner, Vincent, Wayne, Weaver, Webb, Westrom, Wilkey, Yonts. **Nays 0.**

HR 19 Co-Sponsor (Oct 14) Yeas 88—R. Adams, Adkins, A. Arnold, J. Arnold, Ballard, Barrows, Bather, Baugh, Belcher, Bratcher, Brinkman, Bruce, Buckingham, Burch, D Butler, D.D Butler, Callahan, Cherry, L. Clark, P. Clark, Coleman, Collins, Cornett, Couch, Crenshaw, Crimm, Damron, Denham, Deweese, Draud, Edmonds, Embry, Feeley, Fischer, Ford, Geveden, Gooch, Graham, Gray, Hall, Harmon, Harper, Haydon, Hoffman, Hoover, Horlander, Jenkins, Kerr, J. Lee, Lindsay, Marcotte, Marzian, Mckee, Meade, Meeks, Miller, Moberly, Montell, Nelson, Nesler, Nunn, Palumbo, Pasley, Pullin, Rader, Rand, Rasche, Richards, Riggs, Riner, Siler, Simpson, Sims, A Smith, B Smith, Stacy, Stein, Stewart, Thomas, J Thompson, T Thompson, Turner, Vincent, Wayne, Weaver, Webb, Westrom, Wilkey, Yonts. **Nays 0.**

HR 23 Co-Sponsor (Oct 15) Yeas 46—J. Adams, Adkins, A. Arnold, J. Arnold, Ballard, Belcher, Bruce, Burch, D Butler, Callahan, Cherry, L. Clark, Collins, Couch, Damron, Denham, Edmonds, Feeley, Geveden, Gooch, Graham, Gray, Harper, Haydon, Hoffman, Horlander, Jenkins, Kerr, J. Lee, Lindsay, Marcotte, Mckee, Meade, Moberly, Nesler, Palumbo, Richards, Riner, Sims, A Smith, B Smith, Stacy, Thomas, J Thompson, Weaver, Wilkey. **Nays 0.**

HR 26 Co-Sponsor (Oct 18) Yeas 70—J. Adams, Adkins, A. Arnold, J. Arnold, Ballard, Bratcher, Brinkman, Bruce, Buckingham, Burch, D Butler, D.D Butler, Callahan, Cherry, L. Clark, P. Clark, Collins, Comer, Cornett, Couch, Crimm, Denham, Deweese, Edmonds, Embry, Ford, Gooch, Graham, Gray, Harmon, Harper, Hoffman, Horlander, Jenkins, Kerr, J. Lee, S. Lee, Lindsay, Marcotte, Marzian, Mckee, Meade, Miller, Moberly, Montell, Napier, Nelson, Nesler, Nunn, Palumbo, Pasley, Pullin, Rand, Richards, Riggs, Riner, Simpson, A Smith, B Smith, Stacy, Stein, Stewart, Thomas, J Thompson, Turner, Walton, Wayne, Weaver, Webb, Yonts. **Nays 0.**

HR 27 Co-Sponsor (Oct 18) Yeas 65—J. Adams, R. Adams, Adkins, A. Arnold, J. Arnold, Ballard, Bratcher, Brinkman, Bruce, Buckingham, Burch, D.D Butler, Callahan, Cherry, L. Clark, P. Clark, Collins, Comer, Couch, Crimm, Denham, Deweese, Edmonds, Embry, Ford, Gooch, Graham, Gray, Harmon, Harper, Hoffman, Horlander, Jenkins, Kerr, J. Lee, S. Lee, Lindsay, Marcotte, Marzian, Mckee, Meade, Miller, Moberly, Montell, Napier, Nelson, Nesler, Nunn, Palumbo, Pasley, Pullin, Rand, Richards, Riggs, Riner, Simpson, A Smith, Stacy, Stein, Stewart, Thomas, J Thompson, Turner, Webb, Yonts. **Nays 0.**

HR 28 Co-Sponsor (Oct 18) Yeas 67—J. Adams, Adkins, A. Arnold, J. Arnold, Ballard, Barrows, Belcher, Bratcher, Brinkman, Bruce, Burch, D Butler, D.D Butler, Callahan, Cherry, L. Clark, P. Clark, Collins, Comer, Couch, Crimm, Denham, Deweese, Edmonds, Embry, Ford, Gooch, Gray, Harmon, Harper, Hoffman, Horlander, Jenkins, Kerr, J. Lee, S. Lee, Lindsay, Marcotte, Marzian, Mckee, Meade, Miller, Moberly, Montell, Napier, Nelson, Nunn, Palumbo, Pasley, Pullin, Rand, Rasche, Riggs, Riner, Simpson, A Smith, Stacy, Stein, Stewart, Thomas, J Thompson, Turner, Walton, Wayne, Weaver, Webb, Yonts. **Nays 0.**

HR 32 Co-Sponsor (Oct 19) Yeas 90—J. Adams, R. Adams, Adkins, A. Arnold, J. Arnold, Ballard, Barrows, Baugh, Belcher, Bratcher, Brinkman, Bruce, Buckingham, Burch, D Butler, D.D Butler, Cherry, L. Clark, P. Clark, Collins, Comer, Cornett, Couch, Crenshaw, Crimm, Damron, Denham, Deweese, Draud, Edmonds, Embry, Farmer, Feeley, Fischer, Ford, Geveden, Gooch, Gray, Harmon, Harper, Higdon, Hoffman, Hoover, Horlander, Jenkins, Kerr, J. Lee, S. Lee, Lindsay, Marcotte, Marzian, Mckee, Meade, Meeks, Miller, Moberly, Montell, Napier, Nelson, Nesler, Nunn, Palumbo, Pasley, Pullin, Rader, Rand, Rasche, Reinhardt, Richards, Riner, Siler, Simpson, Sims, A Smith, B Smith, Stacy, Stein, Stewart, Thomas, J Thompson, T Thompson, Turner, Upchurch, Walton, Wayne, Weaver, Webb, Westrom, Wilkey, Yonts. **Nays 0.**

HR 33 Co-Sponsor (Oct 19) Yeas 80—J. Adams, R. Adams, Adkins, A. Arnold, J. Arnold, Ballard, Barrows, Baugh, Belcher, Bratcher, Brinkman, Bruce, Buckingham, Burch, D Butler, D.D Butler, Callahan, Cherry, L. Clark, P. Clark, Coleman, Collins, Comer, Cornett, Couch, Crimm, Damron, Denham, Deweese, Edmonds, Farmer, Feeley, Fischer, Ford, Geveden, Gooch, Gray, Harmon, Harper, Higdon, Hoffman, Hoover, Horlander, Jenkins, Kerr, J. Lee, Lindsay, Marzian, Mckee, Meade, Meeks, Miller, Moberly, Montell, Napier, Nelson, Nesler, Nunn, Palumbo, Pasley, Pullin, Rader, Rand, Rasche, Richards, Riner, Siler, Simpson, A Smith, B Smith, Stacy, Stein, Stewart, J Thompson, T Thompson, Turner, Upchurch, Webb, Westrom, Yonts. **Nays 0.**

HR 34 Co-Sponsor (Oct 19) Yeas 73—J. Adams, R. Adams, Adkins, A. Arnold, J. Arnold, Ballard, Baugh, Belcher, Bruce, Burch, D Butler, D.D Butler, Callahan, Cherry, L. Clark, P. Clark, Collins, Comer, Couch, Crimm, Damron, Denham, Deweese, Edmonds, Farmer, Fischer, Ford, Geveden, Gooch, Graham, Gray, Harmon, Harper, Haydon, Higdon, Hoffman, Hoover, Horlander, Jenkins, Kerr, J. Lee, Lindsay, Marzian, Mckee, Meade, Meeks, Moberly, Napier, Nesler, Nunn, Palumbo, Pasley, Pullin, Rader, Rand, Reinhardt, Richards, Riggs, Riner, Siler, Simpson, Sims, A Smith, B Smith, Stacy, Stewart, Thomas, J Thompson, T Thompson, Wayne, Webb, Wilkey, Yonts. **Nays 0.**

HR 35 Co-Sponsor (Oct 19) Yeas 79—J. Adams, R. Adams, Adkins, A. Arnold, J. Arnold, Ballard, Baugh, Belcher, Bratcher, Brinkman, Bruce, Burch, D Butler, D.D Butler, Callahan, L. Clark, P. Clark, Comer, Cornett, Couch, Crenshaw, Crimm, Damron, Denham, Deweese, Draud, Edmonds, Farmer, Feeley, Fischer, Ford, Gooch, Graham, Harmon, Harper, Haydon, Higdon, Hoffman, Hoover, Horlander, Jenkins, Kerr, J. Lee, S. Lee, Lindsay, Marcotte, Marzian, Mckee, Meade, Meeks, Miller, Moberly, Napier, Nunn, Palumbo, Pasley, Pullin, Rader, Rand, Reinhardt, Richards, Riggs, Riner, Siler, Simpson, Sims, A Smith, B Smith, Stewart, Thomas, J Thompson, T Thompson, Turner, Walton, Wayne, Weaver, Webb, Wilkey, Yonts. **Nays 0.**

HR 36 Co-Sponsor (Oct 19) Yeas 78—J. Adams, R. Adams, Adkins, A. Arnold, J. Arnold, Ballard, Baugh, Belcher, Bratcher, Brinkman, Bruce, Burch, D Butler, D.D Butler, Callahan, L. Clark, P. Clark, Collins, Comer, Cornett, Couch, Crimm, Damron, Denham, Deweese, Draud, Edmonds, Farmer, Feeley, Fischer, Ford, Gooch, Graham, Gray, Harmon, Harper, Haydon, Higdon, Hoffman, Hoover, Horlander, Jenkins, Kerr, J. Lee, Lindsay, Marcotte, Marzian, Mckee, Meade, Meeks, Miller, Moberly, Napier, Nesler, Nunn, Palumbo, Pasley, Pullin, Rader, Rand, Reinhardt, Richards, Riggs, Riner, Siler, Simpson, Sims, A Smith, B Smith, Stewart, Thomas, J Thompson, T Thompson, Turner, Walton, Weaver, Wilkey, Yonts. **Nays 0.**

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*Indicates the Legislator was the Primary Sponsor of a Bill or Resolution
(HJR means Joint Resolution; HCR means Concurrent Resolution; HR means Simple Resolution)

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